Daily Report

Central Eurasia

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FBIS-SOV-96-145 *26 July 1996*

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CIS: ITAR-TASS Carries Press Review for 26 Jul

LD2607060496 Moscow ITAR-TASS in English 0458 GMT 26 Jul 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, 26 Jul (ITAR-TASS) — Follows a review of Friday's Moscow-based Russian newspapers dated 26 July.

IZVESTIYA on a scandal involving a culture support foundation in Belarus.

The budget of Belarus had a shortfall of 828 billion rubles as a result of the activities of a culture support and development foundation named in honour of Makhmud Esambayev, a famous Chechen dancer who lives in Moscow.

Reporting the scandal, the newspaper asserts that the President of Belarus and prominent cultural figures are implicated in it. For more than a year, the Foundation existed at the expense of the budget of Belarus, without returning a single ruble.

TRUD carries an interview with Yegor Stroyev, Federation Council Speaker.

"It is essential to support production, to provide people with jobs at which wages are paid regularly, every month, to give an opportunity for people to improve their life through their own efforts, without interfering with such efforts. This done, we shall come to realise very soon that among the people there is no opposition to the new policy course," Stroyev said.

KRASNAYA ZVEZDA on Russian Navy prospects.

The newspaper carries an interview with Felix Gromov, Commander-in-Chief of the Russian Navy, on the eve of the Navy Day holiday.

Touching upon the Navy's prospects, Gromov pointed out that Russia needs more strategic missile-carrying submarines than in Britain and France. At the same time Gromov emphasised that aircraft carriers will not be built in Russia and that "the Kuznetsov aircraft carrier alone will do for the time being, although subsequently it will be necessary to build such ships, maybe of somewhat lesser deadweight tonnage."

IZVESTIYA finalises the publication of investigation materials concerning the case about a provocation against former Mayor of Vladivostok Viktor Cherepkov and about a powerful criminalised group in Maritime Territory.

ROSSIYSKIYE VESTI on housing construction.

The newspaper carries an interview with Sergei Kalashnikov, Chairman of the State Duma Committee on Labour and Social Policy, who believes that "it is essential to build housing and roads in order to get out of depression." He called for "the construction of cheap housing, for ten million people in Russia have no roof over their heads."

ROSSIYSKAYA GAZETA carries an interview with Tamara Morshchakova, Deputy Chief of the Constitutional Court, under the headline "The Constitutional Court is not a decorative attribute in Russian democracy."

CIS: Azerbaijani MP's Reject Cooperation With Armenians

LD2507193196 Tbilisi IPRINDA in Russian 1500 GMT 25 Jul 96

[FBIS Translated Text] Tbilisi, 25 Jul — The Georgian side at the working meeting of Georgian and Azerbaijani parliamentary delegations has suggested that an Armenian delegation also participate in the work, since cooperation like this is in the interest of the whole Caucasus, an IPRINDA correspondent reports.

The Azerbaijani delegation, for its part, said that, although Azerbaijan had nothing against the idea on the whole, it ruled out Armenia's participation at the present stage, because 20 percent Azerbaijani territory is currently occupied by Armenia. Zahid Garalov, the head of the Azerbaijani delegation, emphasized that if the occupied lands were not returned peacefully, Azerbaijan will use force. He said Azerbaijan had sufficient power to regain the territory. The Azerbaijani side expressed the hope that after the Caucasus Home is established, Armenia will be forced to seek a place within it and, therefore, it will have to review its stance.

The Georgian side proposed that the Azerbaijani side should use economic issues to start their dialogue with Armenia and then gradually come to political problems.

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Russia: Yeltsin Submits Treaty With Iran to State Duma

LD2507175496 Moscow INTERFAX in English 1629 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Interfax) — Russian President Boris Yeltsin submitted for State Duma ratification Thursday a treaty between Russia and Iran on legal assistance and legal relations on civil and criminal cases, signed on March 5, 1996, in Tehran.

In a letter to Duma Chairman Gennadiy Seleznev Yeltsin says that the treaty reflects the desire of Russia and Iran to "strengthen cooperation in the provision of legal assistance on civil and criminal cases," the presidential press office told Interfax.

The treaty provides a legal basis for the protection of rights and interests of Russian and Iranian citizens and organizations and creates conditions for cooperation between appropriate agencies of both countries, reads the letter.

The press office reported that Yeltsin also rejected a bill "On the Military Council of Russia" as not corresponding to the constitution.

In particular, Yeltsin pointed out that the council would be given powers not envisaged in the Russian Constitution.

Powers envisaged for the council are currently shared by the president, Security Council, Defense Ministry and the General Staff, and various other federal agencies, reads a presidential resolution.

Russia: Opposition to U.S. Bill on Trade With Iran, Libya

LD2507184896 Moscow ITAR-TASS in English 1809 GMT 25 Jul 96

[By Tatyana Selivanova]

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — The bill, envisaging the application of economic sanctions against foreign firms which cooperate with Iran and Libya in the field of oil and natural gas extraction, "infringe upon the legitimate economic interests of a number of countries, including Russia," Russian Foreign Ministry spokesman Vladimir Andreyev told a briefing here today.

The bill was approved by the House of Representatives of the U.S. Congress on Tuesday.

"In the event of its coming into force, we would be compelled to take measures for the defence of our interests. European partners of the United States also adhere to a similar position," the Russian diplomat said.

The bill is "yet another attempt to lend an exterritorial character to the American legislation," Andreyev stressed. He noted that the Russian side had repeatedly expressed its negative attitude to such practice by the American authorities in connection with the anti-Cuban Helms-Burton law.

"All that we stated with respect to this law can be also applied to the new bill," the Russian Foreign Ministry spokesman pointed out.

"The application of an exterritorial character to national legislation runs counter to international law and the existing civilised standards of interstate relations. This action destabilises international trade and economic exchanges and undermines confidence among states. Such measures directed against Cuba, Iran, Libya or other countries, which are disagreeable with American lawmakers, are absolutely counterproductive also from the political viewpoint," the Russian diplomat accentuated.

The Russian side hopes that "Washington will listen to these arguments and will not cause unnecessary complications in international life," Vladimir Andreyev stated.

Russia: Primakov, China's Qian Discuss Nuclear Test Ban Treaty

LD2507191796 Moscow ITAR-TASS in English 1718 GMT 25 Jul 96

[By Andrey Bychkov and Viktor Khrekov]

[FBIS Transcribed Text] JAKARTA, July 25 (Itar-Tass) — Russian Foreign Minister Yevgeniy Primakov and his Chinese counterpart Qian Qichen discussed a comprehensive nuclear test ban treaty in Jakarta on Thursday.

Primakov and Qian attached great significance to Russian-Chinese cooperation with members of the Association of South East Asian Nations, Russian Foreign Ministry spokesman Grigoriy Karasin told Tass.

The ministers discussed "the problem of stability in the Korean peninsula," Karasin said without elaborating.

Primakov confirmed his principal agreement to pay a visit to Beijing. However, its exact date should be agreed through diplomatic channels.

Russia: Primakov Leaves Jakarta for Moscow

LD2507203796 Moscow ITAR-TASS in English 1844 GMT 25 Jul 96

[By Andrey Bychkov]

[FBIS Transcribed Text] JAKARTA, July 25 (Itar-Tass) - Russian Foreign Minister Yevgeniy Primakov left

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Jakarta for Moscow on Thursday evening after attending a week-long ASEAN forum.

It was the first participation of a Russian delegation in an ASEAN meeting since Russia was granted the status of ASEAN dialogue partner.

Russia and the Association of South East Asian Nations reiterated they sought to develop bilateral ties in all spheres — political, trade, economic, financial, cultural and so on.

Aside from the ASEAN conference, Primakov had meetings with his foreign counterparts — U.S. Secretary of State Warren Christopher, the foreign ministers of China, India, Japan, South Korea and others, that is almost with all ASEAN dialogue partners and participants of the third ASEAN conference for security.

The next ASEAN "marathon" will be held in Kuala Lumpur, Malaysia, next year.

Russia: Ilyukhin Exposes Plans for Deposing President of Belarus

LD2507184096 Moscow ITAR-TASS in English 1637 GMT 25 Jul 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — Viktor Ilyukhin, head of the State Duma house security committee, told a press conference in Moscow today that "a group of high-ranking CIA officers numbering 18 persons has been in Warsaw since June 10 of this year to prepare special subversive operations in Belarus."

Ilyukhin said the operation was designed to create Polish Solidarnosc-type strike centres in Minsk, Orsha, Vitebsk, and Mogilev.

According to him, "these strike committees are to et off the first wave of political and economic strikes in all major cities of Belarus."

The Duma security committee chairman also declared that "the killing of one or two leaders of the Belarusian national movement was planned to be executed in the course of acts of resistance in the streets."

"The leaders are to be martyred and President Alyaksandr Lukashenka is to be accused of organising it all," Ilyukhin said.

He declared that "14 European and American media, including Russian NTV, and Vesti (news) and Zerkalo (mirror) television news groups will be involved to provide coverage of the street marches." Ilyukhin said 254,000 US dollars are allocated for the purpose.

He said the operation is to be wound up with the raising of a question in the Belarusian parliament about President Alyaksandr Lukashenka's impeachment.

According to the scenario, the operation was to culminate between September 15-18 of this year, Ilyukhin said.

He expressed the hope that the President of Belarus would take "preventive measures in order to disrupt that provocation."

Russia: NATO 'Indirect Action' To Push Expansion Hit

MM2507130996 Moscow PRAVDA in Russian 23 Jul 96 p 3

[Article by Candidate of Historical Sciences Yu. Oleshchuk under the "From the International Department's Mailbag" rubric: "The Whole Point of NATO Is To Keep Everybody on Their Toes"]

[FBIS Translated Text] Although NATO's intention to expand eastward has received exhaustive comment in the mass media, the author of this piece thinks that something can yet be added....

There exists such a concept as the strategy of indirect action. Its goal is not to cause conflict or launch a "strike" but to create a situation which in itself will work against a chosen target. It, so to speak, helps to achieve a chosen aim without any "direct" action. It seems to me that NATO's decision is actually an example of this strategy of indirect action.

Let us take a close look at what is escaping the attention of many analysts — the decision's timing. Why was the decision to enlarge NATO adopted in the second half of last year (when this was mooted long ago)? Clearly nothing out of the ordinary had happened in the West. The same could be said from a global perspective. So had something, perhaps, happened in the East? In the post-Soviet area?

Well, as they say in the children's game, "you're getting warm." An event had indeed occurred in the East whose consequences might have impelled NATO to adopt the difficult decision. But what was the situation in question?

The West was without doubt forced to pay the greatest attention to one of those processes that was overshadowed by our troubles in the general consciousness. It is the growth of the trend toward integration in the post-Soviet area — a phenomenon which was particularly apparent and took on concrete form last year. The problem of integration had actually been discussed before

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in many Western countries in a long-winded, polemical, and sometimes even impassioned manner. But the matter never left the realm of words. But a year ago some specific happened: Practical steps were taken for a rapprochement between Russia and Belarus.

How did all this look from their perspective? This is how: It is possible that a process to reestablish a powerful formation in the post-Soviet area is getting under way. The more so as politicians know full well how chain reactions proceed, as an example is seized on by others. Especially when in this instance the "others" within the post-Soviet area are experiencing enormous difficulties, first and foremost in the economic sphere. If the "others" see that the rapprochement between Russia and Belarus has proved to be useful and has in some way helped the countries involved in it, it is not hard to imagine that the others will begin to want to repeat the experience. What is more, they will most of all desire a rapprochement with Russia, as it is economically the strongest. So you see, the tempo is picking up for the re- establishment of a powerful community.

If anyone still doubts that the West is hypersensitive about the process of integration across our wide-open spaces, I will show them that one of the main subjects at present in the West's vast political science literature on the post-Soviet region and in the constant discussions about what is happening there is the prospect of integration taking place or not. It is not hard to see why. The West in no way wants to encourage the process of unification. But it cannot officially and openly prevent this process as no opportunity to do so has presented itself. Anyway, how can it prevent it if the process is completely voluntary, imposed by nobody, and relies on "grassroots" support? This is why they have to resort here to methods of indirect, covert opposition. To the strategy of indirect action. Which is what the NATO decision is putting into effect.

The military alliance's main precept is: avoid rapprochement with Russia! The first sign could be described thus: The West has not lost interest in the countries near to ours and is ready to establish close relations with them (given that it is ready to admit several countries to NATO and is prepared to admit one entire group, then it could possibly admit others later). Why is this subtext a sign of its opposition to integration? Because it encourages forces to become active in those states which are insisting on integration not with Russia but with the West and are against rapprochement with the former.

A second sign is that, given that the West and NATO have an interest in the post-Soviet states and also have plans to expand their ties with them, it is possible that it is worth also talking about economic aid. No one anywhere talks openly about this in relation to the NATO decision, but it might prompt you to speculate about this.

You can see a third sign if you consider the nearby countries on which there is some point in orienting. Russia is against NATO's eastward expansion, but the military bloc and the West have adopted this decision just the same. And Russia can do nothing. After all, it has practically no allies today.

A fourth sign, or rather in this case consideration is that in response to the NATO pressure Russia will decide to adopt certain counter-measures. For example, it will attempt to organize a military-political union in retaliation – Moscow has already hinted at it. Under these circumstances it will be possible to mount a campaign, both in the West and the near-abroad countries — to ascribe imperial intentions to Russia. Such a campaign will of course militate against integration to a certain degree.

One other thing. The desire for integration is born certainly not of any imperial ambitions but of a broad desire to overcome the difficulties that have been visited upon us. Just talk with "grassroots" supporters of rapprochement, of whom there are now so many in many post-Soviet states: Is anyone dreaming about some kind of empire? Nothing of the kind. They are just dreaming about how to improve their lives. The "non-grassroots" adherents are concerned about the same thing. But the West and NATO are in fact going against these desires and aspirations and are doing only one thing: throwing a monkey wrench in the works. The NATO "force field" that is spreading to the post-Soviet area will become a factor hampering relations between states in this area and Russia. And, given that this "force field" will begin to militate against integration, it will inevitably suffer from interference, and new factors making for difficulties are unavoidable. Their final outcome will yet again be poor economic results.

Is there any point in mentioning what some people are hoping for: that the West will in some manner compensate for the losses caused by "non-integration"? But the West is promising absolutely nothing and prefers that compensation — which can always be easily and simply set aside — is only hinted at in private and no more.

In conclusion a resume. NATO does not admit everyone who wishes to join it. Only those whom it actually wants. This being so, the bloc's motives and calculations with regard to admitting new members certainly do not necessarily have to coincide with the motives and

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calculations of those who are requesting to become members of the bloc.

Russia: Ministry Condemns Danish Statements on Baltics, NATO

LD2507183496 Moscow INTERFAX in English 1555 GMT 25 Jul 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] Andreyev [Russian foreign ministry spokesman] said that Russia is concerned by the fact that Denmark, either voluntarily or under pressure, is assuming the role of "a pusher" of the idea of NATO's enlargement.

He referred to Danish Defense Minister Hans Haekkerup's interview published in a number of Danish newspapers. The Danish defense minister said that NATO's enlargement plans should be implemented now, as there is no threat from the East at the moment. He also said that NATO's enlargement is an irreversible decision and will be carried out in 1997, despite Russia's resistance.

Haekkerup also expressed dissatisfaction that the Baltic countries do not get into the first admission wave and promised to help those countries to maintain the closest possible contacts with NATO. He explained this by the need to guarantee to the Baltic countries that they will never be part of the Russian sphere of influence again.

Commenting on this statement, Andreyev said that "it does not correspond to the good-neighborly nature of cooperation between Russia and Denmark, and is counterproductive to the development of relations between Russia and the Baltic states.

"It is clear that Russia is not posing any threat to anyone, while NATO's movement to our borders will increase tensions, spoil the climate of trust and mutual understanding and, ultimately, undermine stability and security in Europe," he said.

"Denmark might win more respect and authority if it channelled its efforts to strengthening European security and broadening cooperation in Europe and in the Baltic region," said Andreyev.

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Political Issues

Russia: Prime Minister's Nomination Expected in August

LD2607091896 Moscow ITAR-TASS in English 0846 GMT 26 Jul 96

[By Pavel Kuznetsov]

[FBIS Transcribed Text] HAVANA, July 26 (Itar-Tass) — State Duma Speaker Gennadiy Seleznyov told Itar-Tass here on Thursday that he did not rule it out that the Duma would receive President Boris Yeltsin's official letter, specifying the candidacy of a future Premier, early in August. Seleznyov is heading a House delegation that is currently in Cuba on an official visit.

In corroboration of his supposition, Seleznyov referred to a telephone conversation which he had with Yeltsin on Monday. He requested the Head of State to inform the Duma of the candidacy of a future Premier as soon as possible, so that the MPs, who are to attend the President's inauguration ceremony on August 9, could confirm the nomination at a Duma extraordinary meeting on August 10 and then take a recess. "The President of Russia agreed with me," Seleznyov emphasised.

The State Duma Speaker said it is quite likely that a Presidential letter will await the delegation members when they return to Moscow on August 1 at the close of the official visits to Nicaragua, Cuba and Venezuela.

Seleznyov said that during the telephone conversation Boris Yeltsin and he agreed that they would meet tentatively on August 3-4 to discuss matters, including an item concerning the confirmation of Premier's nomination.

The House delegation is due to leave Havana for the Cuban province of Holguin on Friday to attend the celebrations of the 43rd anniversary of the National Uprising Day. During the trip, Seleznyov is expected to meet with Cuban leader Fidel Castro.

Russia: Yeltsin Rejects Bill on War Council as Unconstitutional

LD2507163096 Moscow ITAR-TASS in English 1604 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — Russian President Boris Yeltsin refused to back the draft federal law "Concerning the War Council of the Russian Federation" which he found to be at variance with the Constitution of the Russian Federation, the press service of the head of state informed Itar-Tass today.

Yeltsin said in a statement on the bill which he dispatched to the State Duma lower house of parliament today that the law vests powers in the War Council that are not envisaged in the Fundamental Law.

The statement says the powers to be vested in the War Council are those already vested in the President, the National Security Council of the Russian Federation, the Ministry of Defence and the General Staff of the Armed Forces, as well as other federal bodies of power.

Russia: Yeltsin Forms New Defense Council; Membership Named

LD2507171596 Moscow ITAR-TASS in English 1549 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — The press service of the President of the Russian Federation today released the following report to Itar-Tass:

"The President of the Russian Federation B.N. Yeltsin formed by decree today the Council of Defence of the Russian Federation and endorsed the regulation for the Council and its personal composition.

"Yuriy M. Baturin is appointed Secretary of the Council of Defence of the Russian Federation and an aide to the President of the Russian Federation.

"The staff of the Defence Council is formed, its numerical composition amounting to 53 persons. V.N. Klimenko is appointed chief of staff.

"The following have become members of the Defence Council: B.B. Yeltsin (Chairman of the Council), V.S. Chernomyrdin (Deputy Chairman of the Council), Yu.M. Baturin, Ye.P. Velikhov, (Vice-President of the Russian Academy of Sciences), N.D. Kovalev (Director of the FSB), A.A. Kokoshin, M.P. Kolesnikov, A.S. Kulikov, A.I.Lebed, A.I. Nikolayev, Z.P. Pak, V.A. Petrov (First Deputy Minister of Finance of the Russian Federation), Ye.M. Primakov, I.N. Rodionov, S.V. Stepashin, V.I. Trubnikov, A.B. Chubays, and Ye.G. Yasin.

"In keeping with the regulation endorsed by the head of state, the Council of Defence of the Russian Federation is a standing advisory body charged with the preparation of the President's decisions in the field of military building and implementation of the most important decisions made by the National Security Council of the Russian Federation on strategic aspects of the defence policy."

Russia: New Defense Council Membership Named

LD2507155896 Moscow INTERFAX in English 1540 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, 25 Jul (INTERFAX) — Russian President Boris Yeltsin signed a de-

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cree Thursday on the setting up of, guidelines for, and list of members in the Russian Defense Council.

An official in the presidential press service told INTERFAX that Yuri Baturin has been appointed the council's secretary.

Chaired by Yeltsin, the council will include: Prime Minister Viktor Chernomyrdin, who will be his deputy on the council; National Security Council Secretary Alexander Lebed; Presidential Chief of Staff Anatoliy Chubais; Federal Security Service Director Nikolay Kovalev; Defense Minister Igor Rodionov; Interior Minister Anatoliy Kulikov; Foreign Minister Yevgeniy Primakov; Economics Minister Yevgeniy Yasin; Defense Industry Minister Zinoviy Pak; Foreign Intelligence Service Director Vyacheslav Trubnikov; Andrey Nikolayev, head of the Federal Border Guard Service; First Deputy Defense Minister Andrey Kokoshin; Chief of General Staff Mikhail Kolesnikov; First Deputy Finance Minister Vladimir Petrov; Sergey Stepashin, State Commission for Chechen Settlement Secretary; and Yevgeniy Velikhov, member of the Russian Academy of Sciences.

The council will have a staff of 53 headed by V. Klimenko. Under the guidelines, the council is a permanent consultative body drafting the president's decisions on the Armed Forces and implementing the most important decisions made by the National Security Council on the defense industry.

Russia: Yeltsin Orders Personal Staff Cut in Half

LD2507141796 Moscow INTERFAX in English 1409 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Interfax) — Russian President Boris Yeltsin Thursday ordered a reorganization of his presidential administration within two weeks, the president's press service told Interfax, with staff cut in half, the agencies doing the same job eliminated and personnel efficiency enhanced.

Presidential head of administration Anatoliy Chubays has been instructed to oversee the work of the president's aides.

The post of the president's first aide has been eliminated.

Also, the president's main departments for the constitutional guarantees of citizens, for state service and personnel, for internal and foreign policy, and for programming and analysis have been eliminated.

Russia: Government Chief of Staff on Staff Reorganization

MM2507154596 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 96 p 1

[Unattributed report: "Vladimir Babichev, Russian Federation Government Chief of Staff: Commonsense View of the Government Staff"]

[FBIS Translated Text] I believe that the mass media greatly exaggerate the significance and purpose of the Government Staff, first, and very greatly exaggerate our intentions in respect of the future reform and reorganization of the Staff. The main reform and reorganization of the Staff, the improvement of its structure, and the reduction in numbers were carried out in 1994 and at the beginning of 1996. I was surprised to read in a newspaper that I am supposed to have said that government staff members will be dismissed en masse and new ones appointed. I said nothing of the kind! I have never said that. The Staff will be reformed. This means above all a merger of perhaps several departments. Clearly some departments will be amalgamated and the functions of some departments will be amplified.

Incidentally, there is confusion in these items. Some of them talk about the composition of the government, others about the structure of the executive organs in general. These are different things.

The government had and still has around 24-26 ministries. But we used to have many other executive organs, I would even say very many. The federal executive organs also include federal services, committees, state committees, inspectorates, agencies, and so forth.

As soon as the pattern of the government itself and of the other executive organs at federal level is approved, the functions of the government staff subdivisions will be adapted to suit this structure and the functions of these federal organs.

Russia: Ilyukhin Calls Integrity of Lebed, Chubays Into Doubt

LD2507154296 Moscow ITAR-TASS in English 1528 GMT 25 Jul 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — Viktor Ilyukhin, head of the State Duma house security committee, today attacked Aleksandr Lebed and Anatoliy Chubays in statements that sounded as attempts at discrediting the two in the course of a press conference here today.

Ilyukhin said he had no confidence in "Aleksandr Lebed's competence and sincerity." He also called into

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doubt the possibility of effectively fighting corruption and crime in Moscow and Moscow region within the framework of Boris Yeltsin's decree to that effect and Aleksandr Lebed's latest moves in that direction.

"That decree is populist, it is a reflection of the election campaign rhetoric and is mainly aimed at fighting declassed elements," Viktor Ilykhin declared.

He made it clear that he had information which threw negative light on Aleksandr Lebed's activity as the former commander of the Russian Army in the Dniester region.

Ilykhin also called into question Anatoliy Chubays's integrity. "The press in persistently spreading a version alleging that Chubays has an immaculately clean reputation. I have a different opinion," he said.

Asked what his view was based on, Ilykhin replied briefly: "including on (data coming) from our counter-intelligence agents."

Russia: Lebed Seeks 'Effective Measures' To Resolve Chechen Crisis

LD2507141096 Moscow INTERFAX in English 1332 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Interfax) — Russian Security Council Secretary Aleksandr Lebed will visit Chechnya only when there is a system of effective measures capable of producing real results in the settlement of the Chechen conflict, Lebed's deputy, Valeriy Manilov, told journalists Thursday [25 July] after attending a Federation Council hearing on the Russian national security concept.

If Lebed sees that these measures can be implemented, then the visit will make sense because he does not want to make empty declarations or simply visit Chechnya, said Manilov.

He believes that political measures are the priority in resolving the Chechen crisis. At the same time federal forces should "unconditionally cut short" terrorist acts or any aggressive actions on the part of rebel units, said Manilov.

Russia: Upper House Views Threats to National Security

LD2507150696 Moscow ITAR-TASS in English 1425 GMT 25 Jul 96

[By Lyudmila Yermakova and Andrey Galkin]

[FBIS Transcribed Excerpt] MOSCOW, July 25 (Itar-Tass) — As the idea of a new comprehensive security system "from Vancouver to Vladivostok" is rapidly sinking into oblivion, nations are becoming increasingly aware of new threats to their interests and security. Politicians, researchers and lawmakers are reviewing outdated approaches and analysing new challenges.

In Russia, the Federation Council upper house of parliament today held hearings about new threats to Russia's security in the time of instability and uncertainty at home and the transition to a multi-polar world in the international arena.

As concerns external threats, first deputy general-director of the Federal Government Communications and Information Agency (FAPSI) Vladimir Markonenko spoke about information age hazards. [passage omitted]

He noted that "the danger of information war breaking out is coming to the fore, and by its consequences information warfare will soon rank second only to thermo-nuclear war."

Markonenko said, "the danger of unsanctioned intervention in the operations of information systems has increased abruptly."

An analysis of the state of information security in Russia has revealed that "the threats to the country's closed telecommunications systems are real and it is necessary to take adequate measures without delay."

According to Markonenko, "the foreign special services focus first of all on ways of gathering information about the activity of the supreme bodies of state authority of Russia, as well as on ways of influencing the country's financial, economic, and banking systems."

Markonenko noted that the protection of confidential national information has become one of priorities in the state policy of many developed countries. He recalled that six federal laws on combatting crime in this sphere were already effective in the United States and four in Germany.

At home, one threat to the country's security is the lack of a clear-cut concept of national priorities and, as a consequence, uncertainties in the building of the security system.

"The working out of a legal framework for the Russian national security system is stalling because there are no clearly defined priorities in the field of the country's national interests," said Aleksandr Ryabov, chairman of the upper house security and defence committee.

Ryabov said several draft concepts of national security had been compiled but none was completely satisfactory. He stressed that it was high time "to bring them together by ensuring the uniformity of approach to this most important question at the highest level in the state."

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According to Ryabov, the concept must be finalised as "a long-term political document identifying Russia's role in the modern world proceeding from the Russian state's historical experience and the need to protect the rights of the individual and the interests of the public.

After hearing reports and discussing the main points, the Federation Council hearings came up with a proposal to complement the National Security Council with a Public National Security Council which will function under the speaker of the upper house.

Participants in the hearings stressed the need to work out a system of short- and long-term (up to the year 2005) priorities for the country's economic, social, political, scientific, technological, information and military spheres. They recommended enlisting the cooperation of power structures and a wide range of scientists and politicians in the solution of the problem.

It was stressed that it was high time to analyse the existing laws and regulatory enactments relating to the national security sphere. A working group will be formed in the Federation Council for the purpose.

Russia: Ministry Roundtable Discusses Nationalities Policy Concept

MM2507141296 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 96 p 3

[Report by Aleksandr Batygin: "No Such Thing As Bad Peoples"]

[FBIS Translated Text] A "roundtable" discussion has been held at the Ministry for Nationalities Affairs and Federal Relations on the subject "The Concept of the Russian Federation's State Nationalities Policy and the Tasks of the Ministry for Nationalities Affairs and Federal Relations in Carrying Them Out."

"In drawing up the concept for the state's nationalities policy," Nationalities Affairs Minister Vyacheslav Mikhaylov said, "we proceeded primarily on the basis that the Russian Federation, as formerly part of the Russian Empire and then the USSR, did not emerge suddenly or begin its development in 1990, when the declaration on the country's state sovereignty was adopted. The Russian Federation is the successor to 1,000 years of Russian history. We have tried to avoid extremes — saying that nationalities policy in the Soviet era was 'bad' and has now become 'good.' Yes, we took account of the experience of the Russian Federation, stressing how important it is to maintain continuity, cultures, and languages. And, at the same time, we are far from concluding that under the USSR everything was gloomy in the sphere of nationalities policy.

"Admittedly," Vyacheslav Aleksandrovich continued, "all of Russia's peoples, including the Russian people, suffered a most severe blow from the totalitarian system. Deportations, repression, and the destruction of national assets.... It was only after the collapse of the USSR that a new stage in the state's development began on the principles of federalism, a civil society, and the development of national cultures, languages, and the national and legal cultures of numerically small peoples. But here too, as is well known, there were many 'sore points.' There has been the bloody conflict in Chechnya, and the difficult position of our fellow-countrymen in the CIS states and the Baltic countries. [No closing quotation marks as published]

Unfortunately, at state level a systematic view of nationalities problems has not yet been established. They are often the subject of speculation in political infighting, and various aspects of federal and nationalities relations are not regulated by legal acts. That is why it is time for the emergence of the concept of Russia's state nationalities policy as a system of modern views, principles, and priorities in the activity of federal organs of state power and Russian Federation component organs of power in the sphere of ethnic relations.

Such issues are considered extremely important worldwide. For instance, in China the relevant ministry dealing with nationalities issues is allocated $300 million a year. The people I talk to can only dream of such funding. The last page — page 16 — of the concept voices a modest wish: "In order to implement state nationalities policy and the federal and regional programs adopted to that end, the Russian Federation Government should make provision for a special expenditure line-item when drawing up the federal budget for next year." In other words, we are giving our thanks in advance for any support....

The concept is a major, long-term document and was ratified by presidential edict 15 June this year. Understandably, its essence lies not in its polished theses but in the practical implementation of the program. One specific proposal contained in the "Mechanism for Implementing State Nationalities Policy" section is to set up an assembly of the peoples of Russia to organize a dialogue between organs of state power and ethnic communities, and for it to take part in the lawmaking process, peacekeeping activities, and so forth. In the future, the assembly, in the opinion of V. Mikhaylov and his colleagues, could become the third chamber of the Federal Assembly.

The proposals from the Ministry for Nationalities Affairs and Federal Relations on implementing the concept — in particular, on the creation in the capital of an

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"All-Russia House of the Peoples of Russia," the broadcasting on TV and radio of programs in the languages of the Russian Federation's peoples, the development of economic sectors that are traditional for numerically small peoples, and the resolution of the social and environmental problems facing the indigenous peoples of the Arctic, Siberia, and the Far East — have been passed to the Russian Federation Government.

Russia: Zorin, Abdulatipov Praise Nationalities Policy Blueprint

MM2507155096 Moscow ROSSIYSKIYE VESTI in Russian 25 Jul 96 p 2

[Report by Lyubov Tsukanova: "Blueprint Emerging From the Shadows"]

[FBIS Translated Text] "This document is the quintessence of the best experience that has been gained over the entire history of Russian statehood." This high appraisal of the Blueprint of the State Nationalities Policy of the Russian Federation, which has been approved by presidential edict, was given by Vladimir Zorin, chairman of the State Duma Committee for Nationalities Affairs, at a meeting of political scientists, deputies, and scientists at the Russian Federation Ministry for Nationalities Affairs. The formal reason for the meeting was the publication of an anthology of documents entitled "Political Parties of Contemporary Russia and the Nationalities Question" [Politicheskiye Partii Sovremennoy Rossii i Natsionalnyy Vopros]. In reality, however, the discussion was focused on the aforementioned blueprint. This was, in fact, the first presentation of the document, which had been unfairly ignored by public opinion for the simple reason that the relevant edict was signed by Boris Yeltsin 15 July 1996, right on the eve of the first round of the presidential election. Meanwhile, the role of the blueprint for Russia is so great that — as Ramazan Abdulatipov, State Duma deputy and one of the authors of this document, told your ROSSIYSKIYE VESTI correspondent — its adoption influenced the results of the second round of the presidential election in several national republics. It is hard to say whether it is really so or not, but there are indeed good reasons for the blueprint to become an object of close public attention. On the one hand, it is directed, in a competent way, against nationalist radicalism. On the other hand, it forms the basis for the elaboration of legislation on nationalities affairs and of specific regional programs. Finally, the appearance of this document raises hopes that some mechanisms, whereby conflicts between and within ethnic groups can be prevented and stopped in a civilized way, will be elaborated.

Military & Space Issues

Russia: Rodionov Views Air Force Status, Prospects

MM2607084696 Moscow KRASNAYA ZVEZDA in Russian 26 Jul 96 p 1

[Report by Yuriy Gavrilov: "'Peak of Army and Navy Reform Still Ahead,' Russian Federation Defense Minister States at Air Force Main Staff Meeting"]

[FBIS Translated Text] Colonel General Igor Rodionov, Russian defense minister, was working at the Russian Federation Air Force Main Staff 24 July. He listened to the commander of the Air Force and then addressed the officers and generals of the high command and leading aircraft designers.

The defense minister noted in particular that a high level of combat might, all-weather capability, long-range capability, maneuverability, massive concentration, surprise, and guaranteed reliability in mission performance are still to be found on the list of the Russian Air Force's merits. As one of the key components of the Armed Forces, the Air Force safeguards the country's national security. Col. Gen. Rodionov noted with satisfaction that, by almost halving the size of military aviation, we have been able to preserve aviation groupings in the main strategic areas without reducing their combat potential. And two air armies have to all intents and purposes been reconstituted.

I know, the defense minister stressed, that the Air Force High Command has set up the Air Force command and control structure to consist of four commands — Long-Range Aviation, Military Transport Aviation, Front-Line Aviation, and the reserve and cadre training. But, in Col. Gen. Rodionov's opinion, further thorough work needs to be done on the problem of improving the Air Force's command and control system. The reduction in personnel calls into question the need to retain the existing structure for command and control organs.

Airborne technical personnel have been performing their missions with a high level of reliability in the course of restoring constitutional order in the Chechen Republic and as part of the peacekeeping forces in Tajikistan and the former Yugoslavia. At the same time, a lot of problems have built up within the current Air Force. Col. Gen. Rodionov noted that he understood the concern of the Air Force High Command about many issues concerning the activity of aviation large strategic formation, combined unit, and unit command and control organs. The technical condition of air groupings and battle management systems is declining, along with the quality of logistical and technical support. The proportion of modern weapons in the Air Force's force composition is declining problematically, despite

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the measures that are being taken. Of course, we would like to have stronger air groupings in the main strategic areas. In the Russian Federation defense minister's opinion, this is particularly important since today we lag considerably behind the armies of other states — not only Western but Eastern too — in terms of our aircraft fleet. The aircraft correlation vis-a-vis the East European countries will change even more significantly in the event of their joining NATO. This determines to a great extent the need to maintain the Air Force at a level that ensures the resolution of the entire range of missions with which it is tasked.

The very severe situation regarding funding and comprehensive support for the viability of the Armed Forces as a whole and the Air Force in particular makes it necessary to seek new ways and means of operational and combat training, and ways to improve force composition and the structure of troops and forces. Obviously, in Col. Gen. Rodionov's opinion, it is very, very hard to survive in the existing Army and Navy structure. We need to take some fundamental organizational measures to optimize structures and composition. This applies to all Armed Forces branches of service, combat arms, and special forces. The defense minister bluntly stated: "The peak of Army and Navy reform is still ahead. Prepare yourselves for further difficulties."

Nor is it reassuring that flight personnel are losing their professional skills. Pilots should fly, sailors should put to sea, and general military personnel should improve their field training. High levels of professional training cannot be achieved in auditoriums and academic classes.

We need to seek reserves across the board in order to ensure that flight training becomes more prestigious. The defense minister believes that the Air Force will find those reserves.

Col. Gen. Rodionov outlined the main avenues for Air Force development and improvement:

First. Maintaining aviation strategic nuclear force groupings in a condition that ensures the guaranteed performance of the missions with which they are tasked.

Second. Consistently reforming the structure of forces and command and control, and the training and logistical systems.

Third. Bringing the force composition of the Air Force up to optimum levels. The defense minister noted, in particular, that the 76th Air Army has two air divisions made up of two regiments. "So should we maintain command and control of the division with the corresponding logistical units for two regiments?", Col. Gen. Rodionov noted reasonably.

Fourth. The gradual rearmament of air units with promising multirole aviation systems, equipping them with precision weaponry and simultaneously reducing the number of aircraft types.

And, finally, fifth. Keeping the airfield network in operational condition, and improving the system of Air Force command and control by introducing a unified automated command and control system.

The Russian defense minister is confident that, through joint efforts, the situation can be changed for the better and many problems can be solved.

Russia: Deputy Defense Minister Calls For More Money for Defense

LD2507122096 Moscow INTERFAX in English 1205 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, July 25 (Interfax) — First Deputy Defense Minister Andrey Kokoshin called for increasing government allocations for defense needs in an address to a session of the Federation Council, the upper house of the Russian parliament, devoted to the concept of national security.

The armed forces are the nucleus of national security, he said.

The hearings were attended by members of both houses of Russia's parliament, and by representatives from the Interior Ministry, the Federal Border Service and the Prosecutor General's Office.

Kokoshin called for preventing what Russia already has in terms of assuring national security from being destroyed.

The acute shortage of funding is one of the most serious problems faced by Russia's armed forces today, he said. The country's military-industrial potential suffers as a result. In the meantime, a well-developed industry ensuring high-tech production is an indispensable condition for assuring national security, Kokoshin pointed out.

Facilities converted to production of civilian goods must be capable of getting reoriented back to military orders, if necessary, he said.

All this requires large government allocations, Kokoshin stressed.

He also stressed the need to pay the government's debt to the armed forces and to military-industrial complex enterprises as soon as possible.

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Russia: Officials Comment on Test of Intercontinental Missile

LD2507174496 Moscow ITAR-TASS in English 1717 GMT 25 Jul 96

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — Russia's strategic missile troops have launched an intercontinental ballistic missile today which hit the specified target with a high degree of precision, Itar-Tass learned from the Russian Defence Ministry today.

The missile was launched from the Plesetsk test-range in the Arkhangelsk region. The launching was carried out in accordance with a state programme and in the framework of the trials of the "Topol-M" modernized missile complex built at enterprises of the Russian military-industrial sector.

Commenting on the successful trial of the missile, commander-in-chief of Russia's strategic missile troops, General Igor Sergeyev, told Itar-Tass that "the launching of the 'Topol-M' missile confirmed that the chosen course for the modernization of Russia's missile-nuclear shield has good prospects."

According to the General, the modernized missile complex has been developed since 1993. The first stage of the project was completed last year, and now, the trials are at the final stage. "The trails have been successful," the general said.

Russia's deputy Defence Minister Andrey Kokoshin told Tass that "today's launching summed up the results of tremendous work carried through and showed that the cooperation of enterprises of the military-industrial complex has been established and that these enterprises will launch a serial production of this missile complex after it is included in the armed forces".

According to Kokoshin, the cooperation was established in accordance with a special resolution adopted by the Russian government. Hence, the necessary material basis has been created for serial production of the missiles which are to make a nucleus of Russia's strategic missile troops in the foreseeable future.

Kokoshin noted that the launching of the "Topol-M" which was third in succession, showed that despite financial shortages in the defence industry one of the programmes of the development of the Russian armed forces which has a priority importance has been successfully fulfilled. "Today, one can say that in the 21st century, Russia will remain a great nuclear power, defending its national security and strategic stability in the world with its own powerful weapons," Kokoshin said.

Russia: Russian Space Market Potential Viewed

MM2507095696 Moscow KRASNAYA ZVEZDA in Russian 23 Jul 96 p 4

[Article by Mikhail Rebrov: "Space Market Is Not a Bazaar"]

[FBIS Translated Text] Nature abhors a vacuum. The highly profitable market in space services and technologies which emerged gradually and with some hesitation has started rapidly to assert itself and the share of a particular power in it has become a kind of token of its economic claims and level of scientific and technical achievements. Today the market is divided. How fair that division is, is another matter. But you cannot avoid the facts. For the past 10 years services for commercial launches have been distributed approximately as follows: The European consortium controls 50-60 percent of the market, the remainder is shared by the American corporations Lockheed Martin and McDonnell Douglas and by China. Their total share is 25-26 percent. It would seem that Russia has quite good chances of getting all the rest and subsequently even increasing its share. But the market is not a bazaar and our "space chariot" which once amazed the world with its rapid advance has slowed down by the side of the road and is quite unable to get back onto the highway. alas, that is the case.

Why? Its former might has been lost (in previous years we carried out up to 100 launches a year) and production has come to a halt, ideas are exhausted, there is no money? All this is so to some degree or other. Full financial dependence on state subsidies given the present deficit in the tattered budget is of course clipping the wings of new projects. All is not well in our space industry and the scientific research institutes and design bureaus which, incidentally, are world-famous and world-recognized. And not everything is successful as regards the ability to conduct commercial deals (or simply not to allow ourselves to be swindled or shortchanged).

Deceptive Simplicity or Solo Voyage

For some reason there is a current opinion that the "scheme for prosperity" lies in the rapid and successful sale of our developments abroad in order to grab a profit as rapidly as possible, especially as our space industry is a tasty morsel for our foreign "partners." And they are drawn to Russia's essentially unique know-how. The "Energiya" space rocket corporation has managed to invent a system for the rendezvous and docking of spacecraft while the "Salyut" and "Khimmash" design bureaus have invented technology for the production of a cryogenic hydrogen-oxygen engine and the Gagarin

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cosmonaut training center has developed a method of training cosmonauts and their post-flight adaptation to prolonged work in orbit, and we know about the widely publicized "Topaz" story.

Of course it is hard to reject such deals using "moral" arguments. There are also pragmatic calculations which attest that the firms are in dire need of money. Nonetheless this "partnership" can hardly become a lifeline. Moreover, we must ascertain the alternative. After all, it is not only a question of know-how but also of national prestige. And if we make such a decision then it is important to study the consequences carefully: What is better — being like stall traders eager to strike a deal with the risk of losing a great country's authority and suffering the consequences or entering into equally advantageous talks with a view to highly promising cooperation?

I have absolutely no wish to say that we do not have examples of considered and advantageous commerce. A leading firm of ours, the Khrunichev State Space Science and Production Center, is conducting commerce successfully. The projects in which it takes part and its mutual relations with foreign partners (the state center has contracts for $1.5 billion) are the best evidence of that. I should add that visits to the "Mir" orbital complex by foreign cosmonauts bring Russia up to $35 million per flight. The "Energiya" space rocket corporation receives 60 million from German and French clients. Russia gets a further $400 million from participation in the creation of the international "Alpha" orbital station.

These and other "receipts" can to some extent save or support the Russian space industry under conditions where the government is failing to observe the schedule and volumes of payments to space industry enterprises. Today this process is more reminiscent of an eyedropper than of the necessary injections. Yet every large firm is linked with many contractors and must ensure prompt prepayment for subassemblies and so forth. And if this is lacking the space industry dies. Hence the talk of the loss of scientific and technical potential and the forfeiting of the status of a great space power.

Of course, participation in the "Alpha" project is prestigious (although one can still argue about that). Our own "Mir" has worked for 10 years and will remain in space until the year 2000. That is entirely feasible. But then? "Mir-2" has suffered the same sorry oblivion as the long-suffering "Buran." Is that prospect to Russia's advantage? Is the "kindly uncle" selfless? A situation could arise in which we are the "poor relations" in "Alpha," losing our highly sophisticated technologies. The reality is that various political arguments could raise very keenly the question of who sets the tone in space and has the appropriate contribution and return for each of the project's participants been ensured?

Game Worth the Candle

Meanwhile we must penetrate the space market. There is no alternative. First, it is super-profitable (experts assess the cost of services at $1.5 billion a year) and, second, establishment on this market and the commercialization of national space programs provide a guarantee of stability for our space firms. And not only for them. In the West the return on space investments is $3-15 for each dollar invested and as we know space communications are five or six times cheaper than cable or radio relay communications and orbital reconnaissance of natural resources could ensure a profit of 7:1 that is seven units of profit for each unit of expenditure. And there is economic monitoring, navigation, and cartography! It is not hard to calculate that space technology can resolve many terrestrial problems with great efficiency.

The question of why we are not making money out of space is by no means rhetorical. The fact that on the international space market there is very tough and wily competition does not need to be explained. The market is the market and it lives by its own complex laws. But that is only one reason for our lack of progress, slowness, and dilatoriness. It seems to me that the main reason is that there are no real levers for collaboration between state and commercial structures in the use of space. And these levers will not appear without a smoothly functioning legal basis for this collaboration, without the creation in the country of a considered market infrastructure capable of sensitively taking its pulse and placing capital promptly and reliable in priority programs and projects.

Big Races. Obstacle Races

All this is important because competition in the world space industry is intensifying and our "partners" and primarily the United States, through one of the leaders of the "space business," Edward Ellgud [surname as transliterated], frankly state: "Surrendering the American share of the market to foreign competitors (he has Russia in mind — M.R.) could in the long term be catastrophic to our own space program." Hence the tough restrictions (or quotas as they call them) on our space services to other countries. America is zealously protecting its monopoly and keeping our potential partners under fear of tough sanctions.

After long, hard talks in the Gore-Chernomyrdin commission they deigned to allocate us 20 "Proton" commercial launches for the period through 2000. Meanwhile the space services market is assessed for approx-

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imately that period at 120 commercial launches and the initial quota for Russia was ridiculously humiliating — just eight launches.

And this when the degree of risk involved in space launches is quite high if you consider international statistics, and the reliability of Russian launch vehicles is higher than others. For instance, "Proton" has a reliability rate of 97 percent. And that is over 30 years of operation. Moreover, our launch vehicles have a sufficiently high potential since they are 15 percent cheaper than Western ones. Actually, apart from "Proton" Russia also has "Soyuz" and "Kosmos-3M" whose attractiveness also lies not only in their price but also in their high degree of operational reliability. In 1970-1980 the "Kosmos" launch vehicle was launched at the rate of up to 50 rockets a year. According to unofficial figures the cost of one launch (at today's prices) was $12-16 million. The "Rus" and "Angara" projects and the use of converted "Rokot" and "Start" missiles are considered very promising (a launch of the latter could cost $3-5 million).

Time of Hopes and Expectations

But it is not only with this "commodity" that Russia has the right to lay claim to a large niche in the international market. Demand is now increasing rapidly for space information, satellite communications systems (stationary and low-orbit), and global and detailed photography. Here too our technology (the "Resurs" complex, for instance) is not inferior to Western technology and in some ways even superior. For instance, Russian photographs have a resolution of two to five meters while the French SPOT takes black and white photographs with a resolution that is worse than 10 meters and color photographs with a resolution worse than 20 meters. As has already been reported, only American reconnaissance satellites can rival ours. At the same time information of this kind is of interest to many civilian consumers and, according to experts' estimates, "is assessed at 1.2 million units." It is believed that in early 2000 the cost of this output on the international market will run into billions and even trillions.

I am far from idealizing these commercial prospects. Everything is far more complex in the reality of the market. There is much that is still beyond the strength of the embryonic Russian business. Taking advantage of this, Japan and China are not letting their chance slip. Parallels between Russian and U.S. cosmonautics as regards business are also pointless. In the United States 0.97 percent of the money from the expenditure section of the U.S. budget is earmarked for space programs (that is slightly more than four times more than in our country). In the United States there are over 600 venture funds while our commercial banks, insurance companies, and regional administration representatives are utterly unable to coordinate their efforts and help with financing for space projects which will ultimately bring them considerable profits.

Something else is also perturbing: The government which in theory should be the main guarantor of the development of this very important industry for the country and set the rules for the market game is so far failing to cope with that role. So our "space chariot" is being pushed to the dusty roadside. Anything can happen — even those who were playing secondary parts could overtake our great space power.

Federal Assembly

Russia: Legislative, Regulatory Documents 14-20 Jul

96P50109

[FBIS Report] The following is a listing of Russian legislation recently published in the press of the Russian Federation compiled by FBIS. Numbers within parens indicate approximate wordage. Entries followed by the notation "Text" have been translated into English and are available in FBIS publications.

SECTION I: ECONOMIC LEGISLATION (EXPORT-IMPORT, BANKING, PRIVATIZATION, AUCTIONS, REGIONAL DEVELOPMENT)

RF Government 6 June Decree No. 650 Confirming System Of Proportions For Distribution Of Assets From State Fund For Combating Crime For 1996. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 5) (150) (Text)

Government 7 June Directive No. 653 Approving Appended (And Published In Abbreviated Form) Federal Targeted Program On Enhancing Traffic Safety In Russia In 1996-1998. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 6) (400/4000)

Government 7 June Directive No. 883 Approving Proposal By Tver Oblast Administration Et Al To Organize 'Great Russian Road' International Trade Caravan Along Volga River From Moscow To Astrakhan 25 July-1 September. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 5) (350)

Government 8 June Decree No. 662 On State Program For The Revival, Building, Reconstruction, And Restoration Of Russia's Historic Small And Medium Cities (Appendix Listing Sources Of Finance Not Published). (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 4) (500)

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Government 8 June Decree No. 670 Approving Appended (But Not Published) Model Statute For Providing Social Assistance To Persons Without Permanent Residence Or Employment, Plus Linkov Commentary. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 3) (150/550)

Government 11 June Decree No. 701 On Creation Of 'Osetiya' Region Of Intensive Economic Development. (Moscow ROSSIYSKAYA GAZETA in Russian 17 Jul 96 p 4) (800)

Presidential 15 June Edict No. 921 On Improvement Of State Management Of Timber, Pulp, Paper, And Woodworking Industry. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 5) (350)

Yeltsin 18 June Edict No. 933 Approving Appended 'Federal Targeted Program For The Stabilization And Development Of Agro-Industrial Production In The Russian Federation In 1996-2000.' (Moscow ROSSIYSKAYA GAZETA in Russian 17 Jul 96 pp 5-6) (100/11000) [First Part Of Program Published This Issue — To Be Concluded In 18 July Issue]

Government 24 June Decree No. 729 On Procedures And Conditions For Free Rail Travel By Employees Of Federal Railways. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (700)

Government 24 June Decree No. 732 'On Ensuring Stable Work Of The National Economy In The Fall-Winter Period Of 1996-1997.' (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 3) (2500)

Government 24 June Decree No. 736 On Measures To Improve Oil Product Deliveries To Chukotka Autonomous Okrug. (Moscow ROSSIYSKAYA GAZETA in Russian 17 Jul 96 p 4) (350)

Government 24 June Directive No. 985 On Formation, According To Appended (But Not Published) Statute, Of Commission To Improve System For Management Of Fuel And Energy Complex Sectors. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 4) (300)

Presidential 26 June Edict No. 994 Approving Proposals For Celebration Of 200th Anniversary Of Establishment Of Forestry Department. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 5) (100)

Government 27 June Decree No. 756 On Measures To Ensure Stabilization Of The socioeconomic Situation In Aga Buryat Autonomous Okrug In 1997-2000. (Moscow ROSSIYSKAYA GAZETA in Russian 17 Jun 96 p 4) (800)

Government 27 June Decree No. 757 On Payment Of Monthly Supplements To Hydrometeorology Service Employees. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (300 Plus Table)

RF Government 27 June Decree No. 758 On State Support For Horticulturists, Truck Gardeners, And Owners Of Personal Plots. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 5) (1500)

Federal Law No. 94, Signed By Yeltsin And Dated 10 July, On Ratification Of Agreement To Set Up Black Sea Bank Of Trade And Development. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 3) (300)

Federal Law No. 95, Signed By Yeltsin And Dated 10 July, 'On The Procedure For Submission, Examination, And Adoption Of The Federal Law "On The 1997 Federal Budget."' (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 3) (5000)

Government 12 July Decree No. 788 On Issue Of Federal Loan Bonds In 1996. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (150)

Government 12 July Decree No. 797 Tasking Various Government Departments To Product Proposals On Additional Measures To Stabilize The Socioeconomic Situation In Russia By The End Of 1996. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (750)

Government 12 July Decree No. 798 Appointing Ministry Of Agriculture And Food As State's Agent For Implementation Of Federal Targeted Program For Stabilization And Development Of Agro-Industrial Production In 1996-2000. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (400)

Government 12 July Decree No. 799 On Measures To Protect Russian Federation Consumer Market Against Penetration By Poor-Quality Imported Goods. (Moscow ROSSIYSKAYA GAZETA in Russian 19 Jul 96 p 4) (1700)

Government 12 July Directive No. 1091 Tasking Various Government Departments To Product Proposals Aimed At Rendering Support To Russian Commodity Producers. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (600)

Government 16 July Directive No. 1011 Forming Operations Staff To Implement Immediate Measures For Economic Stabilization Until New Government Is Formed. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (400) (Text)

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SECTION II: POLITICAL (INTERNATIONAL AND CIS AFFAIRS, ELECTIONS, CRIME, POLLUTION)

RF Government 29 April Decree No. 530 Approving Draft Agreement (Not Published) Between Russia And PRC On Cooperation In Struggle Against Drug Trafficking And Drug Abuse With Commentary By A. Sergeyev, Head Of MVD Directorate On Illegal Drug Trafficking. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 6) (200/700) (Text)

RF Government 17 May Directive No. 783 Deeming Expedient The Take-Up Of Turkish Eximbank Credit Line Of $60 Million For Financing Kochubeyskiy Sugar Refinery. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 6) (300)

Government 11 June Directive No. 922 On Holding Series Of Functions To Mark 900th Anniversary Of Spasskiy Monastery. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 1) (300)

'Program For Support By The Russian Federation Of Integration Processes In The Sphere Of Education In The CIS' Approved By Presidential Edict No. 902 Of 13 June. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 9) (5000)

Government 19 June Decree No. 710 Amending RSFSR Council Of Ministers Resolution No. 171 Of 11 March 1976. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (100)

Government 24 June Decree No. 745 Approving Appended (But Not Published) Draft Russian-Finnish Protocol Amending 5 March 1993 Agreement On Struggle Against Crime. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 11) (300)

Government 24 June Directive No. 995 Approving 'Moskvich' Company's Proposal To Apply For French Loan Of Up To $72 Million To Purchase Renault Engines And Fit Them In Cars Made By It. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 6) (200) (Text)

Government 24 June Directive No 999 Upgrading Russian Consulate In Daugavpils To Consulate General. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 11) (150)

Yeltsin 25 June Directive No. 338 Approving Appended (But Not Published) Composition Of Russian Delegation To Congress Of European Local And Regional Authorities, Plus Gorbunov Interview With Federation council Aide Polikarpova On Objectives And Tasks Of This Congress. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 3) (50/500)

Government 27 June Decree No. 760 On Measures To Ensure Proper Conditions For The Detention Of Persons Held Within The MVD Penal System. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 4) (1500)

Government 1 July Decree No. 766 Approving Appended Statute On State Regulation Of Cross-Border Transportation Of Hazardous Waste. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 11) (900/3800)

Government 1 July Decree No. 772 Approving Appended (But Not Published) Draft Agreement With Israel On Customs Cooperation. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (200)

Government 1 July Decree No. 781 Approving Appended (But Not Published) Draft Agreement With Ukraine On Space Research And Cooperation. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (200)

Government 1 July Decree No. 782 Approving Appended (But Not Published) Draft Agreement With Uzbekistan On Joint Space Research. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (200)

Government 1 July Directive No. 1038 Accepting Proposal On Use Of Russian Waterways By Turkmenistan's Cargo Ships. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (200)

Government 1 July Directive No. 1041 Accepting Proposal On Talks With Ukraine To Sign Nuclear And Radiation Safety Agreement. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (100)

Government 1 July Directive No. 1042 Accepting Proposal On Talks With Bulgaria To Sign Agreement On Peaceful Use Of Nuclear Energy. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (100)

Government 1 July Directive No. 1047 Appointing Members Of Russian Part Of Intergovernmental Commission For Economic Cooperation With Moldova. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (200) (Text)

Government 1 July Directive No. 1057 Accepting Proposal On Talks With Ukraine To Sign Agreement On Preserving Specialized Nature Of Enterprises Producing Military Output. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (100)

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Presidential 10 July Edict No. 1024 Confirming Statute On RF Security Council And Structure Of Its Apparatus Plus Appended Statute. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 4) (200/3200) (Text)

Presidential 10 July Edict No. 1025 On Strengthening Law And Order And Stepping Up Struggle Against Crime In Moscow. (Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 96 p 4) (2000) (Text)

Yeltsin 12 July Edict No. 1027 On Creating Military-Technical Cadet Corps. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 3) (400)

Constitutional Court 15 July Ruling No. 16 On Constitutionality Of Point 1 Article 1 And Point 4 Article 3 Of RF Law Of 18 October 'On Road Funds In The Russian Federation.' (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 4) (3200)

Ruling No. S-1/9-96 By CIS Economic Court On Statute Of CIS Member States Transport Coordination Conference. (Moscow ROSSIYSKAYA GAZETA in Russian 20 Jul 96 p 10) (2000)

SECTION III: SCIENCE AND TECHNOLOGY

Government 24 June Decree No. 727 On Measures To Implement Presidential Edict No. 531 Of 12 April On Setting Up State Science And Production Missile-Space Center. (Moscow ROSSIYSKAYA GAZETA in Russian 18 Jul 96 p 3) (200) (Text)

Russia: Seleznev Reviews Work of First Duma Session

MM2507143196 Moscow PRAVDA in Russian 24 Jul 96 pp 1-2

[Report by Valentina Nikiforova on press conference given by State Duma Chairman Gennadiy Seleznev to unidentified correspondents, under the "Parliamentary Diary" rubric; date, place of press conference not given: "How To Live Without 'Great Upheavals'"]

[FBIS Translated Text] It is becoming increasingly obvious that the Federal Assembly, and particularly the State Duma, is sharply polarized. It is naive to claim that contradictions are only natural and are beneficial to the process of lawmaking. The point is this: Will the sound, state-patriotic forces be able to stabilize the situation in the legislative organ, which should without fail have a beneficial effect on the political situation in the country, so as to give the state the opportunity thereafter to take at least a little step forward, toward development, without "great upheavals"? And therefore indications of that kind were what was sought at the latest, routine press conference given by State Duma Chairman Gennadiy Nikolayevich Seleznev.

Russia Does Not Need a Second Parliament

[Correspondent] What were the results of the first, spring session of the second State Duma?

[Seleznev] I am satisfied with the results of the first session. One hundred and forty-five federal laws were adopted and 76 were signed by the president, in addition to which the Duma adopted 74 draft laws at the first reading and seven at the second. Forty-eight plenary sessions were held. And it must be taken into account that the work was taking place against an unusual political background — the two rounds of the presidential elections. But we reached agreement with the factions and not a single session was postponed or disrupted; we provided the legislative basis for the elections. There was another result too: The factions and deputies' groups formed at the very beginning of the Duma's work survived; the predictions that they would start to fall apart after the elections proved to be idle conjecture. The only thing we are not satisfied with is the "loose ends." Laws remained unapproved at the third reading; drafts were not given their second and third readings. Of course, the committees would have liked to adopt them as quickly as possible, and 70 questions were submitted to the last session. Naturally there is not enough time, and some of the drafts will have to be carried over until the fall. There is nothing terrible about that, we will begin the fall session more effectively because of this groundwork.

[Correspondent] How satisfied are you with your collaboration with the Federation Council? And what is the relationship like with the Political Consultative Council?

[Seleznev] We are satisfied with relations with the Federation Council. Although experience is already suggesting that we chose the worst of the three drafts of the law on the Federation Council. It turns out that the heads of the legislative and executive branches of power, who have plenty of worries in their region, are having to tear themselves away from these concerns, travel to Moscow, and hastily discuss and adopt laws. For our part, we have already realized how difficult it is to adopt a good law, and because of this, differences arise among ourselves. We feel that the members of the Federation Council do not even have time to study a law properly, and basically adopt it on the say-so of apparatus workers. Obviously thought will have to be given to the question of how to form the upper chamber more sensibly.

As for the new body that has been set up under the president [the Political Consultative Council], I do not yet know what its job will be. But I wish to say to both the president and the deputies: Don't take parliament

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out of parliament. It is HERE [word published in uppercase] that laws must be discussed and adopted, on the basis of the Constitution. If the body that has been set up is going to supplant the Constitution, it will be necessary to adopt the appropriate documents and appeal to the Constitutional Court. I don't think Russia needs a second parliament today.

[Correspondent] What money do you think is behind the new Consultative Council and other formations, what "territory" will they be assigned to?

[Seleznev] I don't know how the money is distributed in the presidential staff, but the new body — the Political Consultative Council — does not, of course, come free. The parties' authorized representatives and deputies will, of course, work on a voluntary basis. But this organization will be served by a well paid apparatus. They have held some events here in the State Duma. But I think hereafter they will prefer to work in Staraya Square — where their apparatus is based.

[Correspondent] How will the State Duma defend itself against this Political Consultative Council?

[Seleznev] Why should we need to defend ourselves against it?! Don't we have enough councils, circles, societies, and sects in Russia already? And they all claim to offer advice, recommendations, and expert findings. One more has emerged. This is an unconstitutional body, let it operate at a consultative level — maybe it will give somebody some useful advice of some kind.

State Duma, President, Government

[Correspondent] Clearly the president is attacking the Duma via the Political Consultative Council and "Russia Is Our Home." All the same, how will relations between the president and the Duma be structured?

[Seleznev] The State Duma acted very correctly in congratulating Boris Nikolayevich Yeltsin on being elected president, immediately after the elections. It said in its telegram that it is ready for constructive cooperation with all branches of power, and first and foremost the presidential branch. We are disposed for constructive cooperation, we want that cooperation. The only thing the deputies do not want is to form a single formation and — quick march, behind the president. That would not be a democratic society. There should be opposition in society, there should be diversity of views in society.

[Correspondent] You met with Chernomyrdin. What questions were discussed?

[Seleznev] Unfortunately the meeting was not very long, it was interrupted. We exchanged impressions of the results of the spring session and talked about the parliamentarians' collaboration with the government. I am convinced that we should receive around 75 percent of draft laws from the president and the government. I also told him that parliamentarians cannot work in conditions of poverty. After all, the last Duma left us only one-third of the funds necessary to the status of deputies, plus debts of 40 billion rubles. Aides were not paid their wages for two or three months, they will only start paying them next week. The question of transport and the payment of debts for the hotel will also be resolved. The parliamentarians of a great country, a rich country, should not live as they do today. The premier agreed with me.

[Correspondent] What is your comment on the report that budget money was spent on the people's patriotic bloc election campaign?

[Seleznev] It's slander! It is vile, slanderous calumnies. I know that the CPRF [Communist Party of the Russian Federation] faction is preparing a lawsuit. There is not a single document in the State Duma confirming that we financed Gennadiy Andreyevich Zyuganov's election campaign. These methods are unseemly. Apparently it does not suit some people that the elections took place without excesses, and now a "Duma coup" must be staged.

[Correspondent] The Russian public was expecting the political temperature to fall after the elections. However, the elections have taken place, and society has not calmed down. Why not? What do you think is the social cost of the elections?

[Seleznev] Very high, I'm sure. It is hard to say what sums it attained. But as regards the collection of taxes, June was the least productive month, the second worst is July, and May was not too good either. If you want a specific answer, go to Government House: Look at the Moscow subway builders, and you'll get the answer to your question. Call Vladivostok and ask them how many hours people are left without electric lights — you'll get the idea. Problems could flare up at any moment, they are not being tackled.

[Correspondent] Evidently there will be no candidate for the post of premier except Chernomyrdin. What do you think of his chances of being confirmed? Will there be problems, or will it go smoothly?

[Seleznev] I think, whoever the president names as premier, we will have to study his program. You remember, during the election campaign period there were many promises — people are now waiting for them to be fulfilled, they believe that the government's course will be adjusted in many respects, especially in social policy. I think the best thing is to discuss the candidacy

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for premier in factions: to discuss the program and ask questions about the team the future premier will work with after confirmation. Unfortunately, this does not exist as an essential rule in our standing orders, but there is a solution: Let us deal with it at the plenary session on the day of confirmation, let us not begrudge the time. For the time being, we can assume that Viktor Stepanovich Chernomyrdin will be named as candidate, since the president has asked him to hold consultations on the formation of the cabinet. I don't think any other candidacy will arise unexpectedly.

[Correspondent] A sensitive issue: privatization. We have been told that there can be absolutely no question of a review of its results now. Is the Duma planning to review the question of privatization at the fall session?

[Seleznev] We will review it without fail. We have set up a deputies' commission, which I think is working sluggishly at the moment: It has conducted only one parliamentary hearing, whereas there should be a whole series, to examine all aspects of privatization so that the house can intervene in the situation in the fall.

The Law, and Only the Law

[Correspondent] The other day Sergey Belyayev held a briefing at which he said that the Duma must restructure its work, or else it will provide a pretext for dissolution. He explained that he himself is not in favor of dissolving the Duma, but in his opinion many draft laws directed at continuing the reforms are delayed in the committees, where deputies from the CPRF, "People's Power," and the Agrarians are in the majority.

[Seleznev] Mr. Belyayev obviously does not know the Constitution very well — it clearly stipulates the conditions on which the Duma may be dissolved. As for the accusations of blocking draft laws, I do not agree with him: Draft laws are mostly approved in the committees, there are transcripts of committee sessions where one can see who voted for various provisions. And if a deputy from the NDR ["Russia Is Our Home"] faction has a different view from the other deputies, that does not mean they are all wrong.

[Correspondent] A hearing was conducted in the Federation Council on questions of economic security. Deputy Belyakov from Leningrad Oblast said that the Duma has established an incorrect procedure for the adoption of laws. He thinks that since the executive power in the regions is implementing the economic reforms, it should also determine the priority for the adoption of laws.

[Seleznev] We have governors who see no need for the legislative power — this is a worrying situation. They have been encouraging rule by edict for a long time: They feel sure that today, as in Peter the Great's day, all legal questions can be regulated by edict. I cannot agree with that. Our priorities are clearly structured. First come drafts submitted by the president, second — those submitted by the government, and third — all the rest. What is stopping them from submitting drafts in good time, so that the committees can start work on them? The procedure for adopting a law is lengthy. I am convinced that the shorter the procedure, the worse the law. If we discuss a law at the first reading and then send it out to the Federation components and receive their reactions, we then know the opinion of the whole of Russia. After that, the committees discuss it, vote on amendments, submit it for discussion at the second reading, the third reading....

[Correspondent] What has not been achieved at the first session and what decisions do you regret?

[Seleznev] Unfortunately, there was much that was not achieved. When the plan for work with draft laws is compiled, all the laws seem important. Later it becomes clear that it would have been better to postpone one law, adopt another.... I regret, for instance, that we did not adopt the Tax Code. The version submitted by the government provoked much censure. But there are alternative versions that it would have been a good thing to examine before the recess. In the fall we will discuss the budget, and much will depend on what rules there are for tax collection in 1997.

Unfortunately, the Land Code was left hanging. We set up a conciliation commission but there was not time for it to vote on the articles that are causing disputes. I would very much like the president himself to read the Land Code. It is not a complicated document, but the passions around it — the idea that the code will ruin the peasants is not true, and that idea is being dinned into the president persistently. Today, instead of the code, a whole series of edicts connected with the land have been adopted — and they will become a bone of contention. When an edict clashes with the law, what is the poor peasant to do, how can he tell which comes first: the edict or the law?

It is annoying that the law on a human rights representative [upolmomochennyy] has not been adopted — the NDR faction will not vote for it, and that is all. The conciliation commission has met more than once. But they could get no sense out of the silent NDR.

[Correspondent] Times are hard for the country, yet State Duma deputies often travel abroad. And according to N. Rybkin, to the "wrong countries," that is, to debtor countries. Just now, for instance, a delegation has gone to Latin America.

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[Seleznev] All the trips are within the program of interparliamentary activity. As you know, they take place at three levels: At the highest level, when a delegation of representatives of all factions is headed by the Duma chairman; the second level, when representatives of committees go; and the third — trips in order to exchange experience and train deputies and the apparatus. Our goal is to collaborate with the parliaments of all countries of the world. But here too there are priorities. First comes collaboration with the parliaments of the CIS countries, second — countries that have borders with the Russian Federation, and third — the rest of the world. There are many invitations. We have had an invitation from the United States too. But I replied to Mr. Grinvich [name as transliterated] that Rybkin went to the United States and now, under international norms, it is their turn to come to Russia for a visit. As for Latin America, trips there are planned once a year. And in order to save funds we decided to visit three countries on one trip — Cuba, Nicaragua, and Venezuela.

[Correspondent] What good does it do?

[Seleznev] An agreement was signed between Russia and Belarus, the Parliamentary Assembly was set up with 25 deputies from each side. A similar organ is being set up for the union of four — Russia, Belarus, Kyrgyzstan, and Kazakhstan.... We will continue to work.

[Correspondent] You say deputies are not born, and speakers are not born either. Should an academy of parliamentary work be set up?

[Seleznev] It's a brilliant idea, but we don't have the funds for it. [Seleznev ends]

[Nikiforova conclusion] Judging by the mood, the deputies are not going to have a quiet break. There will be trips under the interparliamentary relations system, and an extraordinary session is planned. There will be homework on draft laws, meetings and long talks with voters in the districts. Yes, the new organ — the Second State Duma (and the deputies insist on that numbering, because Dumas No. 1 through 5 [pre-1917] were built on entirely different principles) intends to make the adopted (presidential) Constitution a constitution that protects all citizens, first and foremost working people, and preserves a single Russian state.

Regional Affairs

Russia: Moscow Police Carry Out Large Anti-Crime Operation

LD2507150096 Moscow ITAR-TASS in English 1439 GMT 25 Jul 96

[FBIS Transcribed Text] MOSCOW, 25 Jul (ITAR-TASS) — Police detained 156 people for various crimes in an operation against terrorists in Moscow on Tuesday.

Moscow interior department officials told ITAR-TASS on Thursday that 8,670 policemen had participated in the operation. They checked 32,000 flats, including 1,880 dens, and 457 hotels and hostels.

A total of 9,000 people, including 54 chiefs of housing organisations and 23 hotel managers, faced administrative charges. Police detained 274 homeless people, 71 of them were sent to special centers for the homeless in Moscow, and 37 were expelled from the city.

Police authorities also polled 70,000 Muscovites to find out their opinion about district police officers. Only 72 percent of the respondents said they knew their district police officer and 74 percent were satisfied with the officer's work. Only 10 percent of the Muscovites polled said they were ready to participate themselves in protecting public order.

Russia: Moscow City Government Takes Anti-Chechen Security Measures

LD2507133596 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 25 Jul 96

[FBIS Translated Text] The railroad war declared by the Chechen field commander Raduyev will not affect Moscow. Moscow's government has taken a number of measures to ensure security in the city. This was stated to our radio station by the City Deputy Prime Minister Ernest Bakhirov [as heard].

[Begin Bakhirov recording] These measures, and very effective ones at that, had started to be taken before Raduyev's statement. In this respect, not only the forces and staff of the main interior directorate have been thrown into the operation, but also some considerable support will be given by the Moscow military district, interior troops district [as received]. There will be intensive patrolling, especially, in the areas where there are crowds of people: above all transport, railway stations, and so on. [end recording]

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Russia: Arkhangelsk: Strontium Contaminated Beef Sent Away

MM2507151496 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Jul 96 pp 1-2

[Report by Igor Yelkov: "Contaminated Meat Could Be on Sale in Any City in Russia"]

[FBIS Translated Text] Arkhangelsk — The sufferings of the "radioactive cows" from Mogilev in Arkhangelsk lasted about a month. The central city market had been supplied with the 17 tonnes of beef by a commercial organization. The very first tests carried out by specialists in the radiology department of the veterinary laboratory found strontium in the bones of the Belarusian cows three times higher than the permitted concentration.

The level of cesium, which builds up in muscular tissue, was found to be normal. In other words, the meat was relatively clean, but the bones were "contaminated." The businessmen suggested that it was all pure intrigue on the part of the local "meat mafia": "This meat is accepted everywhere in Russia, apart from here in Arkhangelsk...." The beef was analyzed by another two laboratories independent of each other: At the sanitation and epidemiology center and the local university. Strange though it may seem, the mafia was not involved on this occasion. The results of the repeat tests were the same: The bones contained three times the "normal" amount of strontium.

"The test results are amazingly uniform," a laboratory worker said. "The whole consignment of meat is contaminated to approximately the same degree. This means that the whole herd of cattle either grazed on 'bad' pasture or was given 'contaminated' feed...."

Will the incident lead to the breakup of the "meat friendship" between Arkhangelsk Oblast and Belarus? The authorities take an unequivocal view: It will not. Specialists are not inclined to be prejudiced against Belarusian beef. Several consignments of meat, including from Mogilev Oblast, have very successfully passed tests by veterinary and sanitation experts in Arkhangelsk and been allowed onto the local market.

The incident is unprecedented in the oblast, but certainly not in the country as a whole. A radiology expert, who wished to remain anonymous, showed me a document from Moscow signed by the chief state doctor responsible for sanitation. It begins with the rather telling words: "In connection with the increasing frequency of contaminated agricultural produce being brought into Russian territory..." and prescribes stricter controls over meat originating in former Soviet republics.

In view of the political delicacy of the incident, efforts were made to settle the matter without provoking an international scandal. Publicity could not be avoided, however. Obviously, the news that 17 tonnes of radioactive beef had arrived in the city was not a cause for celebration. Arkhangelsk (amongst other oblast centers) has been fed on contaminated meat before — soon after the disaster at Chernobyl. Precisely for this reason, no one eager to remove the clean meat from the contaminated bones could be found. The rather limp scandal ended with the beef being expelled from the oblast. All 17 tonnes of meat were loaded into a trailer a few days ago, apparently bound for home. No one believes that the beef will return to Mogilev, of course. The most likely scenario is that it will be sold en route.

Incidentally, according to the documents held by its owners, it is totally free of contamination.

Russia: Kovrov Pensioners Block Traffic, Threaten To Stop Trains

MM2507131996 Moscow SOVETSKAYA ROSSIYA in Russian 25 Jul 96 p 1

[ITAR-TASS report: "Reduced to Despair. Hungry Pensioners Stop Traffic on the Main Street of the Defense City of Kovrov"]

[FBIS Translated Text] Kovrov (Vladimir Oblast), 24 July — Today, from early morning, hungry pensioners stopped the traffic on Kovrov's main street — Lenin Prospekt. The reason is nonpayment of pensions: July is nearly over, but they have not yet received the money for May and June. People, reduced to despair, are tired of going hungry. Furthermore, for many families employed at defense enterprises, which are almost all standing idle, the old people's pensions are the sole means of existence.

The city administration building was blockaded by pensioners and defense enterprise workers, who also have not received either wages or children's allowances for some months. City Mayor Yevgeniy Belov, carrying an urgent message adopted at a general rally, has left for the Russian Federation Presidential Staff with a request for urgent assistance.

The pensioners and workers are threatening to carry out an act of civil disobedience — to stop traffic on the "Moscow — Nizhniy Novgorod" railroad.

Russia: Frontier Guard Exercise Held in Far East

LD2507120696 Moscow ITAR-TASS in English 1150 GMT 25 Jul 96

[By Viktor Panchenko]

[FBIS Transcribed Text]KHABAROVSK July 25 (Itar-Tass) — A command and staff military exercise, code-

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named Amur-96, is being held in the Far Eastern Frontier Guard District. Its objective has been formulated in the following way: "The protection of the state border in conditions of the worsening of the socio-political situation in the Far Eastern region and the border areas in cooperation with frontier guard structures of the Province of Heilongjiang, China." Officers of other "power structures" of the region — the Federal Security Department, the Interior Department, the Far Eastern Military District and the Customs Service — are also taking part in the Amur-96 military exercise. For the first time ever foreign military observers from the Chinese Defence Ministry and Public Security Ministry were invited to attend the military exercise.

The first satge of the military exercise, at which the making of documents was mastered, tasks to individual units were set and analysed, and they were put on combat alert, has been completed.

Shooting practice, a landing operation and other field operations will be held on Friday.

Responding to questions of journalists, Colonel General Aleksandr Timko, First Deputy Director of the Federal Frontier Guard Service, said that it had been decided to hold the military exercise in the Far East and not in some other place, because one of the longest and most important sections of the state border was located there. "An opportunity was given to Chinese observers to see for themselves that Russia has enough ways and means for reliably protecting its borders," General Timko said. He expressed confidence that cooperation with Chinese "power structures" would be further strengthened. "Now we have a common enemy. These are frontier intruders, gangs, drug traffickers and criminals. I think both Russia and China are interested in the strict observance of the border regime," he said.

Russia: Tatar Nationalists Ready To Recruit for Chechnya

LD2507173396 Moscow INTERFAX in English 1549 GMT 25 Jul 96

[FBIS Transcribed Text] KAZAN, July 25 (Interfax-Eurasia) — The participants of a rally organized in Kazan Thursday by the All-Tatar Public Center and the Union of Tatarstan Youth proposed recruiting volunteers to fight in Chechnya on the side of Chechen separatists.

The 100-odd protesters said the Chechen people will not be able to decide their fate without outside intervention.

The rally participants called on all peoples "enslaved by Russia to consolidate with Chechnya-Ichkeria in the fight for their liberation from the Russian oppression and speak up in defense of the Chechen people from Russian colonizers." They demanded a "pullout of Russian occupation troops from the entire territory of sovereign Ichkeria and beginning of talks on an equal basis."

Russia: OSCE Official on Chechen Negotiations

LD2507113996 Moscow INTERFAX in English 1120 GMT 25 Jul 96

[FBIS Transcribed Text] SOUTHERN CHECHNYA, July 25 (Interfax) — The date of meeting between commander of the North Caucasian military district Anatoliy Kvashnin and chief of headquarters of the Chechen separatists Aslan Maskhadov is likely to be determined on Thursday afternoon after a telephone conversation between the head of the Organization for Security and Cooperation in Europe [OSCE] assistance group in Chechnya, Tim Guldimann, and the opposition's military leadership, a representative of the fighters' headquarters told Interfax.

The headquarters confirmed Maskhadov's readiness to meet with General Kvashnin. Addressing a press conference in Moscow Wednesday, Guldimann said that the Maskhadov-Kvashnin meeting scheduled for July 24 did not take place for technical reasons. Representatives of the federal command and the separatists blamed each other for disruption of the meeting.

The Russian military asserted that the separatists had not confirmed their intention to participate in the meeting.

A representative of the Chechen headquarters told Interfax that the federal party proposed on July 23 through the OSCE mission that Maskhadov meet not with Kvashnin but with one of his deputies.

A Chechen military source said the issue of meeting with a deputy commander of the North Caucasian military district "was not discussed at all, it was an unexpected proposal for the Chechen party because even the subject of the talks was not defined."

Russia: Guldimann Interviewed on Chechen Situation, OSCE Mission

LD2507123596 Moscow Russian Television Network in Russian 1000 GMT 25 Jul 96

[Report by Aleksey Samoletov; from the "Vesti" newscast; broadcast in progress]

[FBIS Translated Text] [Samoletov] ... interview those chiefs who are today dealing with the problems of Bamut.

Today a group of journalists did not manage to get to Bamut. It would seem to be cheaper for the command to

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transport people by helicopter than to tell the truth about what is happening in that village. The command of the combined group was good enough to provide three camera crews with a helicopter so that we could interview Tim Guldimann, who only returned to Chechnya today.

[Video shows helicopters parked at an airfield; one in flight; view from inside a helicopter as it comes in to land; Guldimann speaking]

[Begin recording] [Guldimann, head of the OSCE mission in Chechnya] There was a meeting the day before yesterday with Deputy Minister Sergey Krylov at the Foreign Ministry. He first of all stressed that the Foreign Ministry supports our mission in Groznyy, and that we can continue our work. Of course, I shall try to improve my relations with the local government of Doku Zavgayev.

[Samoletov] Mr. Guldimann, the point generally being made today is that Mr. Maskhadov's influence does not extend to most of the fighters, and that he is today becoming a less and less influential commander. How do you see the situation?

[Guldimann] I cannot judge that, but I do not have that impression.

[Unidentified correspondent] You said yesterday that you thought the failure of the meeting between Maskhadov and Kvashnin to materialize occurred for technical reasons. Why? What do you mean by technical reasons?

[Guldimann] There are now technical problems with communications and also with transport. I am sure, after what I have heard — we have received information from Yandarbiyev — that Aslan Maskhadov is ready, and that it will be possible to hold that meeting in the near future.

[Correspondent] So it is a prospect?

[Guldimann] Yes, definitely.

[Samoletov] Mr. Guldimann, following yesterday's statement by the newly resurrected Salman Raduyev, it seems that, in effect, under the leadership of Maskhadov there are groups that openly declare their liking for terrorism and the slaughtering of civilians in Russia. Does that not mean that the situation today is developing into one in which the official government of Russia is having, through the OSCE mission, to talk to bandits who want civilians to die?

[Guldimann] It has been officially stated on behalf of Yandarbiyev that Raduyev is an independent commander. I have even heard that someone on that side also called him a terrorist. [end recording]

[Samoletov] The Russian Television camera crew were not the only ones to be stopped from filming. We witnessed negotiations between the command and a roadblock, at which an NTV vehicle had been stopped. If the vehicle went on, the troops were ordered to open fire at it.

Russia: OSCE Denies Media Reports of Smuggling Out Dudayev

LD2607095196 Moscow ITAR-TASS in English 0936 GMT 26 Jul 96

[FBIS Transcribed Text] MOSCOW, July 26 (Itar-Tass) — The Organisation for Security and Cooperation in Europe (OSCE) Group in the Chechen Republic on Friday issued a statement denying reports that appeared in some media that heavily wounded Dzhokhar Dudayev had been allegedly smuggled out of the republic with the OSCE assistance.

The statement, made available to Itar-Tass, emphasises that "it is not within the competence of the Group to confirm or deny the fact of Dudayev's death but any attempts by political forces to draw the Organisation into such a false game are doomed to failure."

Russia: Dudayev Reportedly Alive, Undergoing Treatment in Turkey

LD2507201896 Moscow 2x2 Television in Russian 1900 GMT 25 Jul 96

[FBIS Translated Text] The ARGUMENTY I FAKTY news agency has learnt from well-informed sources that Dzhokhar Dudayev [former Chechen separatist leader] is alive and is at present, after being seriously wounded, undergoing treatment in Turkey. According to this information he was taken there across the Russian-Azerbaijan border in a vehicle belonging to the OSCE mission, which was not subject to inspection.

Russia: Pardon for Chechen Terrorist Leader Ruled Out

MM2507141196 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 96 p 7

[Interview with Sergey Stepashin, executive secretary of the State Commission for the Settlement in the Chechen Republic, by Tatyana Shutova, date and place not given: "Should We 'Pour Money' into Chechnya Until the War There Ends?"]

[FBIS Translated Text] The specter of Salman Raduyev, the number two terrorist, is abroad in Chechnya. He is calling for a war to the last man and swears on the Koran that Dzhokhar Dudayev is still alive. Raduyev was once secretary of the Gudermes All-Union Lenin

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Communist Youth League [Komsomol] City Committee and with the same facility vowed on the party rules that he would work to strengthen the unity of the Chechen and Russian people forever.

Raduyev is a petty bandit. That is the view of Sergey Stepashin, executive secretary of the State Commission for a Settlement in the Chechen Republic.

Might Dudayev's shadow or his double not appear in the Chechen mountains in the near future? Stepashin is convinced that Dudayev is dead. "We did not bury him — the Chechens themselves did that," he said.

Disregarding the myths, Stepashin and I talked about the real situation in Chechnya and the program of the State Commission for a Settlement in the Chechen Republic in the next six months.

[Shutova] New members joined the State Commission at its first session after the presidential election. What is the commission's role today?

[Stepashin] All the branches of power are represented in it; its members include leaders of both Federal Assembly chambers, the heads of a number of federation components, and leaders of ministries and departments. Initially it met weekly, but then it was decided that work would be conducted in specific areas. Three working groups have been formed: The political group is headed by Yegor Stroyev, head of the Federation Council; the military group by General Mikhail Kolesnikov, chief of the General Staff; and the economic group by First Vice Premier Oleg Lobov.

In the political sector, the question is not one of recognizing the legitimacy of so-called Ichkeria and its leadership. We work on the basis of the Russian Federation Constitution, which proclaims the territorial integrity of Russia. That position is supported unconditionally by the Organization for Security and Cooperation in Europe [OSCE] mission. I have in mind, first, the establishment and structuring of the organs of local power and, second, the definition of the Chechen Republic's place as a component of the federation. A draft Treaty on the Demarcation of Powers between the republic and the federal center has been published and is being discussed, and there are some alternative drafts. Chechnya will be granted any powers so long as they fall within the framework of the Russian Constitution. The question of Chechnya's secession from Russia is not being discussed.

Now for the set of military problems. The main task is to end the hostilities while ensuring the mutual, not unilateral observance of the Nazran agreements. Yes, we are ready to withdraw the troops and remove the fortified posts, on condition that demilitarized zones are set up at the same time. But to withdraw the troops and allow armed people to move in and impose "their" order here is unacceptable. If Yandarbiyev and his supporters are not in control of all the armed formations, this means that there must be joint action with respect to them. But the facts at the moment are that the Ichkeria side has violated the cease-fire accords over 600 times. Over 70 servicemen have been killed and around 300 wounded. The head of the administration of Urus-Martanovskiy Rayon has been killed and Lyudmila Radimushkina, the head of Groznyy's Leninskiy Rayon, has been kidnapped.

[Shutova] Is it true that a huge ransom is being demanded for her?

[Stepashin] It is true. Ransoms are becoming a source of income for the armed formations and an area of operation for the bandits. The Chechen MVD [Ministry of Internal Affairs] is incapable of preventing such actions now. Furthermore, there have been occasions when MVD staff have connived with the bandits, as happened in the raid on Groznyy in March and the recent attacks on bank couriers. The republic's MVD will have to be reformed and every one of its staffers checked out. The fight against gangsterism in Chechnya will take not months but years. A police school is opening in Groznyy in the fall, and there will be noncompetitive recruitment to police academies for young people from Chechnya and other regions of Russia.

[Shutova] When examining the list of targeted federal programs recently the State Duma rejected extra budget funds for the restoration of Chechnya a second time....

[Stepashin] There is deadlock here. Despite the president's directives, funds are not being allocated. State Duma Chairman Gennadiy Seleznev, who is a member of our commission, has given an assurance that he will be able to resolve the problem when next year's budget is drawn up. But at the moment our work is guided by the president's edicts and the search for funds for the current financial year.

[Shutova] Will there be a response to the initiative of the Moscow mayor's initiative in giving the green light to the trillion- ruble program to restore Groznyy Rayon alone?

[Stepashin] Chechen leaders Doku Zavgayev and Nikolay Koshman have come up with an unorthodox method: tax exemption for participants in the restoration work in Chechnya. This proposal was supported by Yuriy Luzhkov, and there has been a response to it from Moscow, Leningrad, and Voronezh Ooblasts, Stavropol Kray, and Ukraine, which want to participate in the

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work as a way of repaying a number of debts. This approach is mutually beneficial. There is no need even to allocate manpower, which is already there in abundance. If there are jobs, the gunmen will not be able to recruit young people quite as easily into their ranks.

[Shutova] Will the new defense minister join the commission?

[Stepashin] When the question was mainly to do with the redeployment of troops the Defense Ministry was represented on the commission by the General Staff. By fall the emphasis will switch to activity by the MVD, the Federal Security Service [FSB], and the General Prosecutor's Office. General Kolesnikov, chief of the General Staff, makes regular reports to [Defense Minister] Rodionov on the situation. We will invite the minister to join the commission.

[Shutova] General Lebed once suggested holding a referendum in Chechnya on secession from Russia and using the budget funds for the resettlement of the Russian population which has left Chechnya.

[Stepashin] Since then Aleksandr Ivanovich has developed from a political leader into a state figure and has clearly grasped all the priorities. As a commission member he studies the situation in Chechnya closely, and we exchange opinions. His position fully corresponds to the commission's ideology and to the plan approved by the prime minister at the last session.

[Shutova] Sergey Vladimirovich, we were in Budennovsk during the days of the tragedy. You will remember that when Basayev left the hospital he left two bullets on the table. This was either a taunt or challenge to a duel.... Could there be a change of attitude to him if he repents?

[Stepashin] Basayev is a terrorist. We should not exaggerate his standing among Chechens. Admittedly, it is interesting that recently he has not been taking part personally in combat actions and furthermore his comments have become restrained. But a pardon? Well, perhaps, in about 30 years' time....

Russia: Chechens 'Ready' for Terror; Raduyev Derided

MM2507160696 Moscow IZVESTIYA in Russian 26 Jul 96 pp 1-2

[Report by special correspondent Valeriy Yakov "from the southern regions of Chechnya": "'And Then Russia Will Quake...' The Gunmen Are Ready for Terrorist Acts, but Condemn Raduyev's Statements"]

[FBIS Translated Text] Salman Raduyev's recent claim of responsibility for planning the terrorist act in Voronezh has caused open irritation among many of the pro-Dudayev field commanders at every level. Some of them think Raduyev is simply seeking quick and cheap fame, and it could end badly for him.

While the Russian press continues to speculate over whether the Raduyev who has come back to life is real, and TV news anchormen keep referring to him as "the so-called," in Chechnya itself almost no one doubts that it is really him. Anyone who had even once had any contact with Dudayev's brother-in-law recognizes him immediately even from the TV news footage, while personal contact leaves no room for doubt at all. Furthermore, Raduyev's appearance in Chechnya itself was no surprise at all, since here every gunman knew that he was alive and undergoing treatment. Not only that, I even had an agreement with one of the pro-Dudayev support groups to organize a meeting between IZVESTIYA's correspondent and Raduyev while he was undergoing treatment, but before the details of the meeting had been worked out Dudayev's brother-in-law appeared in person right here in Chechnya.

The biggest fuss here was caused by his statement on Dzhokhar's impending return and his oath on the Koran that Dudayev really is alive. In view of the fact that in Chechnya few people were 100-percent sure of the rebel president's death anyway, now the main arguments that flare up are only over the timing of his return (for some reason, August is mentioned as the most realistic possibility). And only Zavgayev's most zealous supporters, who can be counted on your fingers, are continuing to insist that Dudayev is dead. But this categorical firmness on their part, in the total absence of proof, smacks increasingly of autosuggestion. However, neither side can produce any real proof of either story.

Raduyev's first remarks to specially invited Western TV journalists to the effect that he knew about the terrorist acts being planned in Russia and that they were timed to coincide with his return caused only mild irritation among the leadership of the pro-Dudayev armed formations. Rezvan, the well-known field commander of the Shali zone, in conversation with me, did not even try to hide his negative view of Raduyev's capabilities as a field commander, and that is something that Dudayev's supporters do not usually do in talking to the press about each other. According to Rezvan, Dudayev's brother-in-law was always a relatively untalented military leader, and every operation he undertook was doomed to fail. Thus, for instance, the organization of the defense of Gudermes was a failure. An even worse fiasco was the operation in Kizlyar, which was condemned by virtually all the field commanders, and in which the Dudayev side suffered the biggest losses on any single occasion dur-

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ing the entire war. On that occasion only his kinship ties with Dudayev saved Raduyev from the severe verdict of a Shari'at court.

Akhmed, one of Basayev's commanders, with whom I spent the night in a mountain village which is supposedly blockaded by federal troops, told me how Dudayev had tried unsuccessfully to find some suitable place for his brother-in-law, who wants to be a military leader but is patently untalented in that field. Knowing what Raduyev's capabilities really were and knowing the negative attitude of many field commanders toward him, Dudayev did not inform even Maskhadov about the preparations for the march on Kizlyar. As a result Maskhadov had to join in the operation when it had already failed totally and when Raduyev's detachment, blockaded in Pervomayskoye, needed to be rescued. The most interesting point is that both that operation and Basayev's raid on Budennovsk, in the view of certain prestigious field commanders, were provoked by FSB [Federal Security Service] staffers and planned with their covert assistance. I was promised proof of this in the very near future.

Raduyev's present statements about the terrorist acts that are supposedly to his credit made Rezvan laugh openly. "Who does he think he is, that our people should stage such crazy things for his sake?" — Rezvan asks. "Any commander and gunman knows about Maskhadov's strict orders to refrain from terrorist acts as long as the talks process is not complete."

The same view was affirmed by Colonel Khunkar Israpilov, commander of the southeastern front and Raduyev's comrade in the Kizlyar operation, who was the real leader of the exodus of gunmen and hostages from Pervomayskoye. According to him, the Dudayev side has nothing to do with the terrorist acts in Moscow and Voronezh. And not only because the leadership of the armed formations has banned such operations until the last hope of success at the talks is exhausted. "If we take the war onto Russian territory, we will not mess about with little bangs on Moscow trolleybuses," Khunkar says. "What happened in Moscow and Voronezh smacks more of provocation by the special services in order to justify toughening the regime in Russia. And in order to set the law enforcement agencies onto Caucasians with the approval of Russians. We have indeed made advance preparations [zagotovki] for terrorist acts, but real ones, not these theatrical ones. We have very thoroughly prepared a series of operations, taking into account all the mistakes of Budennovsk and Kizlyar, and I can assure you that we will implement them with no special problems, but only after our military council so decides. And then Russia really will quake. But while there is even the slightest hope that Moscow will finally end this bloodshed and continue talks with us, and not with its puppet Zavgayev, the order to carry out terrorist actions will not be given."

Raduyev's unexpected claim of responsibility for Voronezh not only caused severe irritation among the armed formations' leadership. It also put Raduyev himself in a rather difficult position; because of his feverish desire to remind people of his existence and take center stage, he has basically set himself up against the real leaders of the pro-Dudayev formations. His statement, which is more to the advantage of the special services than the Dudayev side, provides further indirect confirmation that when Raduyev went to Kizlyar, that too was not without the help of special advisers. But the main thing is that it means that either Raduyev himself must produce real confirmation of his words and therefore take terrorist acts onto Russia's territory, or else the leaders of Chechnya's armed formations must isolate Raduyev.

Russia: Acting Commander in Chechnya Vows To Destroy 'Terrorists'

LD2507200596 Moscow Russian Public Television First Channel Network in Russian 1700 GMT 25 Jul 96

[From the "Vremya" program]

[FBIS Translated Text] Since yesterday federal forces in Chechnya have been under the command of General Konstantin Pulikovskiy. General Vyacheslav Tikhomirov is on leave.

[Correspondent Roman Perevezentsev] Today journalists accredited in Chechnya were invited to meet Lieutenant-General Pulikovskiy who since yesterday has been acting commander of the temporary joint forces of the Russian Federation in Chechnya. Pulikovskiy said that the rules of engagement will not change with Tikhomirov's departure. Troops will continue search-and-destroy operations against individual armed groups of separatists. In recent days such operations have been under way in Itum-Kale, Vedeno, and certain other Districts. The general was skeptical about the continuation of talks. In his experience, the opposition side took advantage of them for rest and regrouping. Nevertheless, he was personally prepared to meet any of the field commanders. There would be only one subject for discussion, the place and time for surrender of weapons. [video shows helicopters bringing the journalists in, press conference in Pulikovskiy's office, close-ups of Pulikovskiy]

Pulikovskiy estimates that there are about 70 scattered detachments, each ranging from 15 to 50 members,

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operating in the republic at the moment. While most of them have a chance of being amnestied, there will be no contacts whatsoever with the detachments commanded by Shamil Basayev and Salman Raduyev.

[Begin Pulikovskiy recording] There is only one way of talking to terrorists throughout the world. Quite simply they will be destroyed. [end recording]

[Perevezentsev] Journalists asked about the situation around Bamut. All journalists have been kept away from the village for several days now. This morning, under the pretext of security, the commander of the grouping, Colonel Vladimir Okhotnikov, banned journalists from passing through to Bamut. In an interview with our program he confirmed that the village had been sealed off by special Internal Troops forces and gave an updated figure for federal losses there. Two servicemen have been killed and four wounded.

[Begin Okhotnikov recording] As of 1200 hours [0800 GMT] today the situation around Bamut village is normal. There have not been any attacks or shooting. [end recording]

[Perevezentsev] General Pulikovskiy said that by today the operation in Bamut itself had finished. Tomorrow journalists will be given an opportunity to visit the village.

This is Roman Perevezentsev and Rudolf Ushanov reporting for Russian Public TV from the Chechen Republic.

Russia: Russian, Chechen Rebel Commanders Fail To Meet

LD2507130996 Moscow INTERFAX in English 1239 GMT 25 Jul 96

[FBIS Transcribed Text] GROZNY, 25 Jul (INTERFAX) — Colonel General Anatoliy Kvashnin, commander of the North Caucasus Military District did not meet Chechen Military Commander Aslan Maskhadov on Thursday in the absence of signals from the latter, a senior Russian Army representative told INTERFAX on Thursday.

He said Kvashnin was due to fly out to any venue indicated by Maskhadov to discuss military issues.

Economic Issues

Russia: Shafranik Announces Energy Prices Cut

MM2507123296 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 96 p 2

[Report by Dmitriy Dokuchayev and Yuriy Nevezhin: "Fuel and Energy Complex Seeks Way Out of Tax Vicious Circle"]

[FBIS Translated Text] Prices for energy resources on Russia's domestic market should be reduced to 70 percent of world prices in 1997, Fuel and Energy Minister Yuriy Shafranik has stated. To reduce prices it is essential to reduce the tax burden and to equalize price tariffs throughout industry.

According to the logic of the Ministry of Fuel and Energy, by reducing the component of the price for energy carriers that is taxes and value-added tax and by achieving firm guarantees that the taxation system will remain unchanged for the entire period of a deposit's operation, one can launch a high-expenditure mechanism for developing new and low-profit deposits, which will ultimately expand the taxable base.

Thus a kind of "loop" is being formed with regard to the taxation of the fuel and energy complex whereby high taxes make output considerably more expensive, enterprises cannot pay for it, and consequently cannot swell the treasury coffers. Aleksandr Kosolapov, deputy chief of the tax reforms department, told IZVESTIYA that all sectors are complaining of excessive taxes. But if they are all exempted from these taxes then they will complain again that they are not being financed from the budget.

According to the figures of the Ministry of Fuel and Energy itself, taxes comprise 70-85 percent of the price of their output.

The problem could be resolved in the interests of Russian operators by the Duma's adoption of a special section of the tax code and a law on production sharing. This could happen at the end of the Duma's two August sessions when the deputies will meet for the president's inauguration.

Our information. According to official figures by the end of the first half of 1996 the correlation between domestic and world prices for fuel and energy complex output, however strange it may seem, was such that Minister Shafranik's promise already looks outdated: natural gas — 66.9 percent; oil — 71.1 percent; furnace fuel — 72.9 percent; diesel fuel — 88.5 percent; gasoline — 93.8 percent.

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Russia: Central Bank's Dubinin Argues for Continuing Tough Policy

MM2607084296 Moscow FINANSOVYYE IZVESTIYA in Russian 25 Jul 96 p III

[Article by Ivan Zhagel: "Central Bank Is for the Continuation of a Tough Monetary Policy"]

[FBIS Translated Text] As Central Bank of Russia Chairman Sergey Dubinin stated at a meeting with a group of journalists, Boris Yeltsin would never have won the elections if they had taken place against the background of a collapsing currency market and if the recommendations to ease credit and monetary policy and embark on a series of populist measures, recommendations which were heard everywhere early in the year, had been followed. The president, the government, and the Central Bank made another choice — to crack down on inflation and stabilize the exchange rate, and this eventually won the support of the greater part of our society.

There are no grounds, in Sergey Dubinin's view, to change this policy now, although voices can again be heard calling for it to be eased immediately. And the Central Bank chairman used the meeting with journalists specifically in order to define unequivocally the Bank of Russia's long-term position on this question. That position is that credit and monetary policy will be exercised within the framework defined for the year and agreed with international financial organizations.

In other words, until the end of the year the emission of money will take place in accordance with the existing program. However, if there is a dramatic increase in the influx of foreign currency to the country in the second half of the year, in order to buy it and maintain the stability of the market the Central Bank will be forced to increase the scale of emissions. But in these circumstances it is no bad thing, since there will be real substance behind these rubles. However, Sergey Dubinin categorically rules out emissions in order to rescue industry and agriculture. In his opinion, people who make such demands are people who do not know how to work and who conduct their financial affairs poorly.

As an illustration of the pointlessness of deviating from a tough credit and monetary policy, the Central Bank chairman cited 1993-1994, when inflation of 15-120 percent a month totally blocked the path to investments in industry. And if certain banks nonetheless managed to earn good money at that time, they lost out in terms of employee skills and in terms of development, and this is affecting them badly now.

To translate all these remarks of Sergey Dubinin's into practical terms, one can conclude that many commercial banks' hopes of receiving some kind of help from the Central Bank in the fall to maintain their liquidity and compensate for losses caused by the reduction in profitability in the main sectors of the financial market are unfounded. Furthermore, he stated that the banking crisis that there is so much talk of at the moment is not happening, and no disasters are foreseen in the immediate future.

The Central Bank itself is fairly confident. For instance, according to its chairman, whereas on 1 January this year Central Bank gold and currency reserves totaled $15 billion, on 15 July the figure was $14.9 billion. That is, the reserves remained virtually the same despite the considerable tension on the financial market during the presidential elections. And although these reserves are considerably lower than in the majority of developed countries, in Sergey Dubinin's view they are quite sufficient to fulfill commitments on supporting the exchange rate.

Obviously the Central Bank chairman's remarks were aimed not only at clarifying the Central Bank's position, but also at making a substantial contribution to the debate on the country's future path of economic development which is being pursued actively since the elections and which could influence both the tasks of the government that is now being formed and its makeup. On the other hand, these statements were not destined only for domestic consumption.

It is well known that an IMF commission has only just left Russia after checking on our country's fulfillment of its commitments to international organizations. The allocation of the next two tranches of the three-year loan of more than $10 billion, currently being realized, will depend on its conclusions. And abandoning the tough credit and monetary policy now means getting nothing.

As Sergey Dubinin stated, the IMF's main complaints were over the poor level of collection of taxes. The government must basically resolve this problem or at least adopt a number of constructive measures by 19 August, which is when the IMF board of directors meets. But in any case, if work to ensure a sharp increase in collection of taxes fails, then it will make no difference to the country whether it gets the IMF tranches or not.

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Russia: Import Duties To Rise To Promote Foreign Investment

MM2507154296 Moscow FINANSOVYYE IZVESTIYA in Russian 25 Jul 96 p i

[INTERFAX report: "Russia To Increase Import Tariffs"]

[FBIS Translated Text] In the very near future Russia will start increasing import duty on certain types of goods, using this economic lever as a way to attract foreign investment to develop Russian industry, Oleg Davydov, Russian vice premier and minister of foreign economic relations, has stated. He is convinced that the most far-sighted Western entrepreneurs will understand — as import tariffs on the goods they supply rise smoothly — that it will be far more advantageous to invest in setting up production facilities in Russia and producing output for the Russian consumer on the spot.

Russia: More Money May Be Printed To Implement Campaign Promises

LD2507141696 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 25 Jul 96

[FBIS Translated Text] According to a report by the apparatus of the Russian government, between January and July this year more than 1,500 president's instructions had to be implemented; 23 of them were not carried out, that is 1.5 percent of the total number. Here is Dmitriy Solov:

[Solov] It is well-known that many economists are predicting financial crisis this autumn. It will be connected above all with the promises that the president generously made during his pre-election tours. The president was mainly generous about compensations and payment of pensions. But the budget, as everyone knows, is not bottomless: if there is no money, the only way out is to print more. That is possibly what the implementation of the majority of the president's instructions comes down to. In fact, Sergey Kolesnikov, the head of the government information directorate, used quite an interesting term. He said that almost of the president's instructions were in the process of being implemented. In other words, it is not clear whether they started to print money or not.

At today's government meeting, as reported by Kolesnikov to journalists, regional authorites had been told off. Without going into great detail, one can say that Viktor Chernomyrdin advised local governors to do their job better.

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International Affairs

Ukraine: Prime Minister Lazarenko Begins U.S. Visit

LD2507142296 Kiev UNIAN in Ukrainian 1320 GMT 25 Jul 96

[FBIS Translated Text] Kiev — Ukrainian Prime Minister Pavlo Lazarenko arrived late on 24 July in the United States on a flight from Sofia. Today, he will meet IMF Managing Director Michel Camdessus and the management of the Overseas Private Investment Corporation, UNIAN learned from the Ukrainian cabinet.

In the course of the visit, Lazarenko and U.S. officials will discuss the possibility of granting a loan to Ukraine to clear wage arrears. The prime minister also plans to meet World Bank officials and the U.S. Secretary of the Treasury.

Ukraine: UNA Official Denies U.S. Secret Services Providing Finance

LD2507183596 Kiev UNIAN in Ukrainian 1650 GMT 25 Jul 96

[FBIS Translated Text] Kiev — The statement by Viktor Ilyukhin, the chairman of the Russian State Duma Security Committee, to the effect that the U.S. secret services were providing funds to the Ukrainian National Assembly [UNA] to enable its participation in protest actions due to take place in Minsk on 1-9 August, is provocative and groundless, Serhiy Siryy, the chairman of UNA's Kiev branch, told UNIAN today.

As UNIAN reported, Ilyukhin told a news conference in Moscow today the U.S. secret services were engineering subversive actions in Minsk on 1-9 August with the aim of toppling the Belarusian president. He said "the U.S. secret services allocated $254,000 for that purpose, with a large share of that sum to be paid to UNA."

Siryy said UNA did support the activities of the Belarusian Popular Front, aimed at changing the political regime in the republic. However, UNA is unaware of any plans to cause mass disturbances.

Siryy said UNA "will continue to support the Belarusian people during the events to mark Belarus' Independence Day on 27 July." He said UNA had repeatedly declared its refusal to take part in extremist actions. Siryy said UNA was "an organization that is not acting to order."

Siryy said UNA had never received money from the U.S. secret services.

Ukraine: First Reaction to Continuing U.S. Ban on Arms Sales

WS2607082096 Kiev INTELNEWS in English 0113 GMT 26 Jul 96

[From INTELNEWS Staff and Wire Reports]

[FBIS Transcribed Excerpt] Kiev, July 24 — The United States failed to lift its ban on arms sales to Ukraine despite having recently done so for six other former Soviet republics, REUTERS reported Wednesday.

U.S. State Department spokesman Nicholas Burns was quoted in the report as saying it was hoped that Ukraine would be removed "very shortly."

By late Thursday, notification through diplomatic channels had yet to reach Kiev. Ukraine's Foreign Ministry could not comment until then, said Yuriy Serheyev, Foreign Ministry information department director. He had seen the published report: "However, I wanted to emphasize the phrase said by State Department spokesman Nicholas Burns, who was quoted as saying Ukraine would be removed from the so-called International Traffic in Arms Regulations list 'very shortly.'"

Ukraine's Defense Ministry had not been apprised of the development: "It is absolutely not clear about the possible reasons for still listing Ukraine," said Valeriy Korol of the Defense Ministry's press center.

Ironically, Ukraine had been admitted to an international arms technology control group that includes more than two dozen countries with advanced military technology, including the United States. [passage omitted]

Ukraine: Envoy: Kiev Seeks EU Membership, Partnership With NATO

LD2507214596 Kiev UNIAR in Ukrainian 1900 GMT 25 Jul 96

[FBIS Translated Text] Kiev — NATO is aware of the fact that the process of this military and political alliance's expansion is not an abstract issue for Ukraine, but the issue that determines the environment in which we will live, Borys Tarsyuk, Ukraine's ambassador extraordinary and plenipotentiary to Benelux, believes.

Two countries — Ukraine and Finland — retain their nonaligned status; however, they take part in bilateral and multilateral dialogues with NATO members. We expressed our desire to hold an individualized dialogue with NATO, he said. No wonder that Ukraine is often mentioned within the context of NATO's expansion; however, it would be better if it were mentioned within the context of the European Union's expansion.

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The leaders of our state have repeatedly emphasized that Ukraine's long-term strategic objective is to obtain a full-fledged membership of the European Union. Touching on this issue, Tarasyuk said the process of acceding to the European Union could be split into several stages. First and foremost, this is the ratification of the agreement on partnership and cooperation between Ukraine and the European Union, which is still to be ratified by parliaments of 10 full-fledged EU member states, and the holding of negotiations on setting up zones of free trade between Ukraine and the European Union. By the way, under the agreement on partnership and cooperation, these talks are scheduled for 1998. However, we are not yet attractive to the European Union, because of the current economic situation in Ukraine.

Tarsyuk expressed his disagreement with the opinion that NATO's expansion will narrow Ukraine's economic potentials. As an example, he mentioned the fact that NATO had invited Ukraine to attend a conference on the production of armaments. "They know the potentials of the Ukrainian military and industrial complex and welcome Ukraine's participation in the conference," he said.

On the issue of European security architecture, Tarasyuk said NATO could be expected to expand within the next few years, but no one could say what this architecture will look like in 10 years. We should think of Ukraine's place in this structure; however, nothing better has been invented so far than the status of a special partner.

Ukraine: Kiev Unveils New Center for Dismantling Strategic Missiles

LD2507115996 Moscow ITAR-TASS in English 1152 GMT 25 Jul 96

[By Mikhail Melnik]

[FBIS Transcribed Text] KIEV, July 25 (Itar-Tass) — Ukraine on Friday [26 July] opens a new station for dismantling and "neutralising" SS-19 strategic missiles under the strategic arms reduction treaty (START-1).

The station located in the premises of the Yuzhmash production association in Dnepropetrovsk will be able to eliminate 130 SS-19 inter-continental ballistic missiles and the silos for their launching.

Each SS-19 missile in operational mode can deliver six units of nuclear arms to any point in the United States. The new station will eliminate not fewer than four SS-19 missiles every month, sources in the Ukrainian Defence Ministry told ITAR-TASS today.

The same sources said U.S. Ambassador in Ukraine William Miller and the U.S. Defence Secretary's assistant on nuclear energy Harold Smith will attend in the station opening ceremony on Friday.

National Affairs

Ukraine: Commentary Stresses Nuclear Disarmament's Financial Aspect

AU2507123496 Kiev HOLOS UKRAYINY in Ukrainian 24 Jul 96 p 5

[Commentary by Olha Vaulina and Oleksiy Dashkivskyy: "Cheap Reduction — Expensive Satisfaction" — first paragraph published in a box]

[FBIS Translated Text] Reform of Ukraine's Armed Forces also requires transformation of the army's technological equipment. The military power structure is primarily associated with tanks, missiles, and aircraft — the military-technological potential, operated by highly professional personnel, that guarantees state security.

However, the policy of reasonable military equipment has become the leitmotif of independent Ukraine's new military concept. The time of total "to the teeth" armament has long passed. Pacifist ideas presently prevail in the world militarist fashion show. Ukraine is also trying to march in step on this catwalk. This is attested to by its joining the START-1 Treaty in 1991 and reiterating the status of a nonnuclear state.

When Ukraine undertook giving up strategic nuclear weapons on its territory, it meant primarily elimination of the arsenal of the two rocket divisions of the former Vinnytsya Rocket Army — 176 intercontinental ballistic missiles.

Ukraine has by now dismantled 80 RS-18 missiles. The 96 missiles that now remain within protected launch silos are no longer on combat alert, and nuclear warheads have only remained on 10 intercontinental ballistic missiles in Western Ukraine.

The festive elimination of the silo launch installations by the Ukrainian side in the presence of the U.S. and Russian defense ministers points, on the one hand, to our state legitimacy and on the other hand, to a certain degree of shortsightedness. (Russia did not make such an action at that time). The thing is that the total number of silos eliminated is credited to the general fulfillment of provisions of the START-1 Treaty without dividing them among concrete CIS states.

Ukraine is to receive $350 million in the framework of the Nunn-Lugar program for all the nuclear and strategic weapons transferred or destroyed, whereas Russia is going to sell to the United States warheads at $1 million each. Proceeding from this arithmetic, our state is losing $890 million on warheads alone....

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Thus, proceeding from the prices on the world military price-lists, the nonnuclear status is not just a political peace-loving action, but also appreciable financial assistance. This should not be ignored as one strives for peace.

Ukraine: Joint Military Exercises Begin 25 Jul

LD2507181596 Moscow INTERFAX in English 1528 GMT 25 Jul 96

[FBIS Transcribed Text] Kiev, July 25 (Interfax-Ukraine) — Joint command-and-staff exercises of the Ukrainian National Guards, Border Troops and Interior Ministry units have started on July 25. The exercises are being held under the command of Lieutenant-General Ihor Valkiv, National Guards Chief.

As "IF-U" was told at the National Guards press-center, the participants in the exercises are training a special operation for the participation of National Guards' units in reinforced protection and defence of Ukraine's state border.

The main objective of the exercises, which are to end on July 26, is to perfect the training of officers of the Chief Administration of the National Guards Commander, departments, formations and units.

Ukraine: Military Expert on NATO, Military Doctrine

WS2607092396 Kiev KIYEVSKIYE VEDOMOSTI in Russian 20 Jul 96 p 3

[Interview with Major General in Reserve Vadym Hrechaninov, former presidential adviser for military issues, currently chief of the military expert team at the Ukrainian Center of Economic and Political Research, by Tetyana Silina; place and date not given: "Proposing Nuclear-Free Zones Is Not Ukraine's Business" — passages within italics are KIYEVSKIYE VEDOMOSTI "file" published in box]

[FBIS Translated Text] *Major General in Reserve Vadym Hrechaninov's military service was in the aviation and the Antiaircraft Defense Forces. After Ukraine obtained independence in 1991 the experienced specialist was invited to work in the Defense Ministry. He headed the Operational-Strategic Research Center of the General Staff. Afterwards (during three defense ministers' tenures) he was the defense minister's assistant for military policy and deputy chairman of the National Committee for Disarmament. In November 1994, the Ukrainian president appointed him to the post of adviser for military issues. Currently, after dismissal from the administration, Vadym Hrechaninov heads the Ukrainian Atlantic Council and leads a group of military experts at the Ukrainian Economic and Political Research Center.*

V. Hrechaninov has directly participated in the development of the concept of creating the Ukrainian Armed Forces, Ukraine's military doctrine, and a number of laws and international agreements. He defended a doctor's dissertation and is a Honorary Member of the Academy of Aerospace Sciences of Ukraine and Ukraine's Academy of Engineering Sciences.

[Silina] Vadym Oleksandrovych, currently the most important topic in Kiev is the Ukrainian leadership's proposal to create a nuclear-free zone in Eastern Europe in order to prevent the appearance of nuclear weapons at our borders. What do you think, is this idea utopian, or perhaps it may be accepted?

[Hrechaninov] Honestly speaking, it seems to me that this issue is being discussed here in a somewhat amateurish way. This is not our problem. This is exclusively Russia's and NATO's problem.

[Silina] However, nuclear weapons may appear at our border! How can we silently await this kind of "gift"?

[Hrechaninov] If these weapons appear at the Ukrainian border they will be also at the Russian border. However, nuclear weapons will be shipped to Poland only after they are shipped to Belarus [by Russia]. If Russia does not move its nuclear arsenals to Kaliningrad Oblast and Belarus NATO will not deploy its weapons either. After all, even if we disregard political complications the deployment of nuclear weapons is quite an expensive pleasure. The point is that in accordance with the existing agreements only tactical weapons of a 500-kilometer range can be deployed. Ballistic rockets cannot be deployed there. In essence, mobile rocket systems of intercontinental ballistic rockets (ICBM) still remain on the territory of Belarus. However, they cannot threaten either Poland or Germany; perhaps France or Great Britain. If NATO decides one day to deploy ICBMs in Eastern Europe they will be pointed at Siberia and Far East regions of Russia. Thus, for Ukraine only tactical nuclear weapons are dangerous. However, those are only NATO and Russia who should reach an accord. Meanwhile, we are placing too much emphasis on this problem, which may prompt speculations on the part of one of the sides.

Honestly speaking, I do not see a problem here at all. Nobody will deploy weapons in peacetime; meanwhile, during a period of threat, when relations between states and blocs harshly deteriorate, nobody will ask anybody about permission. During such times all agreements go to hell and everyone does what he believes necessary.

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Just recall the pact on nonaggression between Germany and the USSR.

[Silina] Then perhaps Ukraine should really hide under somebody's "security umbrella"? For instance, Article 5 of the Washington Agreement sounds very attractive....

[Hrechaninov] Under no circumstances. An elementary analysis of domestic and foreign factors indicates that Ukraine should remain outside any blocs. At least for the time being. Currently, our society is characterized by great discrepancy of opinions with regard to the choice of direction. After all, it is not a secret that the southern and eastern regions [of Ukraine] are pro-Russian, while the central and western are pro-Western. Various polls have indicated that the correlation is 55:45 percent to the advantage of the Russian direction (approximately the same correlation was in the parliament until recent times). This is the primary domestic factor which makes it impossible for us to move toward the West or the East. Nevertheless, if we do move [in any direction] this will endanger our national security; the state might split.

As for foreign factors, we should not pursue a pro-Western policy while being oriented toward the Russian economy. Currently, at this stage of development, Ukraine is not free and depends on two centers of power: the West and Russia. However, their stance on Ukraine's future are not coordinated; moreover, they contradict each other.

[Silina] Briefly, how would you describe their stances?

[Hrechaninov] The stance of the West is persistent but tactful and promises a lot, but it is oriented toward supporting separate directions of Ukraine's development and separate projects, as well as certain elite circles and the press. The West does not canvass for us to join NATO; however, it expects obligatory support for the expansion of the bloc.

Russia's stance is disrespectful and persistently patronizing, being based on the mutual dependence of our economies and oriented toward the managers' corps and the large Russian diaspora. Russia is striving for unity with Ukraine; however, under conditions which would be advantageous only to Russia. Russia actively opposes Ukraine's admission into NATO.

[Silina] What should our leadership do in this situation?

[Hrechaninov] The leadership should make a choice — the East or the West.

[Silina] It should make a decision? However, after Leonid Kuchma's several recent foreign meetings, everybody is talking about the fact that Ukraine has finally made a decision and chosen its road to the West.

[Hrechaninov] What kind of decision is it when the president speaks about one thing and the speaker about another thing? In addition, the political elite is not the entire country of Ukraine. Our elite still has not gotten accustomed to respecting society's opinion. Many times I have heard the phrase: "The nation will go wherever we will lead it." However, if we declare that we are establishing a democratic society, then we should listen to the nation's opinion. After all, if there are time and weighty arguments, it is possible to skillfully prepare society's opinion (if it does not coincide with that of the elite) and gain its support for a certain decision. In this case, when the status of our state is involved, I think that Ukraine should be a nonbloc state.

[Silina] What about the hackneyed words "buffer" and "gray zone"?

[Hrechaninov] I will disappoint you: We will be a buffer anyway. This is our state's lot.

[Silina] In such a situation, how should we ensure our security? We happily said goodbye to nuclear weapons, and the Army is in a critical condition....

[Hrechaninov] There are specific political, diplomatic, and military steps to resolve these kinds of problems. Security of the state's defense potential embraces an entire complex of measures, including the establishment of military-political relations with neighbors, the participation in treaties, and of course, support of the Army's defensive capacity. Besides that, the concept of ensuring security of a nonnuclear state should have been developed immediately after we waived nuclear weapons. Perhaps the current results would not be so pitiful.

[Silina] However, is there some kind of replacement for nuclear weapons which could perform the same functions as a deterrent?

[Hrechaninov] Of course, it is very difficult for Ukraine to answer to this question due to the very grave crisis situation. In essence, for countries such as our state — which are of medium size and do not possess nuclear weapons — it would be reasonable to posses three components which would ensure their military security: First, front aviation which is capable of reaching distant targets within a few minutes; second, air-mobile troops which within tens of minutes can be redeployed in the necessary direction; and third, artillery and rocket troops. In addition, naval forces are also necessary for the protection of our southern borders.

[Silina] Speaking about naval forces and the Black Sea Fleet, is there a way out of the "divisional" dead end?

[Hrechaninov] The situation is obviously complicated. However, in my opinion, there is a way out of this

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situation. It is strange that by now nobody has spoken about it. The Russians insist: Sevastopol should be the Black Sea Fleet's base. However, who said that this is a fleet?! What is left from the Black Sea Fleet has not been a fleet for a long time in terms of its parameters and capacity. This is a flotilla or even a squadron. In any case, the Caspian Sea Flotilla is at the moment bigger than what has remained of the Black Sea Fleet. And this can be proven simply. Since the Black Sea Fleet is not a fleet any longer, then there is no need to deploy it in Sevastopol or to make Sevastopol a base.

You see, back in Soviet times there was a joking classification of four Soviet fleets among military personnel: The Northern Fleet [Severnyy Flot — SF] was a "Contemporary Fleet" [Sovremennyy Flot], the Pacific Fleet [Tikhookeanskiy Flot — TF] was "Another Fleet" [Tozhe Flot], the Baltic Fleet [Baltiyskiy Flot — BF] was the "Former Fleet" [Byvshiy Flot], and the Black Sea Fleet [Cheronomorskiy Flot — ChF] was "Is It a Fleet or Not?" [Chy Flot Chy Ne Flot]....

Economic Issues

Ukraine: Condition of National Economy Lamented

WS2507143696 Kiev ZERKALO NEDELI in Russian 13-19 Jul 96 p 7

[Article by Oleksandr Hurevych: "Reforms in Ukraine. There Are Problems. But What About Prospects?"]

[FBIS Translated Text] **Another analytical report of the Ukrainian Center of Economic and Political Research (UCEPR) and the "Social Monitoring" center (SMC) entitled "The Economic Development of Ukraine: Problems and Prospects" was presented at the UNIAN conference room on 10 July. The report was presented by UCEPR employees — Oleksandr Razumkov, chairman of the Board of Experts, Oleksiy Plotnykov, chief of the experts' group, and expert Volodymyr Sydenko — as well as Antonina Bazylyuk, department chief at the Ministry of Economy's Scientific Research Institute, and SMC employee Iryna Demchenko. Using our usual terminology, the following are the "main tenets and conclusions" of the author's interpretation of this text:**

Quality of State Management in the Mirror of Macroeconomic Results

Despite the social tension in 1995 and the first half of 1996, the domestic political situation in Ukraine was quite favorable for the implementation of economic reforms. However, the country's leadership did not use this in full, which can be confirmed by the evident growth of social tension during the past few weeks, primarily in the country's mining regions.

Yes, a number of economic indicators did slow down, and exports and the dollar equivalent of wages increased. Alas, these improvements do not mean that objective conditions for overcoming the crisis and, what is most important, for transition from the transformation period's decline to structural reforms have been created in the domestic economy. Why? Because this official picture of the state of our economy does not correspond to what is actually going on. This can be confirmed by the following two facts:

First, the gap between the legal and illegal sectors of the economy has not shrunk, but has grown even further; currently almost 60 percent of GDP is produced in the "shadow" economy. This means that Ukraine is progressively transforming into a criminal state. However, this also implies that the country's official leadership does not know what is actually going on in the "leading" sector of the economy, and it seems that it is playing with statistical figures. Obviously, the real master of the situation in the country is the "shadow government," whose makeup one can only guess.

Second, a sociological poll conducted among 1,012 managers of companies with various forms of ownership and from different branches has shown that 13 percent of the respondents consider 1995 as a more or less successful year, and the overwhelming majority (69 percent) believe that it was unsuccessful. Furthermore, 79 percent (!) of the experts believe that the Ukrainian economy deteriorated in 1995. In this context, it is also symptomatic that by deeming the taxation system the most urgent economic problem (77 percent) and very modestly rating the battle with corruption (3 percent), the directors indirectly confirmed the real reasons behind the increasing role of the shadow economy. In the aggregate, this data hardly corresponds to the optimistic assessment of the current economic situation presented by the president in his annual address to the Supreme Soviet.

What was the reason for the current authorities to lose effective levers in running the country's economy? First of all, it was their unwillingness to publicly admit tactical errors — particularly in reform strategy. Although the government has had certain theoretical achievements, they have not been combined into a single concept in the form of a stage-by-stage model of stabilization and a way out of the crisis — similar to the one that exists in the Czech Republic, for example.

The problems also lie in the fact that even if our reformers held the original works of the classical authors of monetarism in their hands, they have not found time to read them. Otherwise, it is hard to understand why, among the magnitude of macroeconomic indicators,

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such excessive attention is being paid to the inflation rate. Yes, they have learned to curb it, but... to the detriment of other, no less important indicators. Does this not resemble the situation of a patient who is pronounced clinically dead, and the only thing doctors can do for whom is to lower his temperature?

Finally, having taken the advice of representatives of the IMF, the World Bank, the European Bank for Reconstruction [and Development], and our other main creditors as a standard, the ruling borrowers are ignoring opinions of other well-known experts who once thoroughly studied the USSR's economy and who evidently better realize the specific nature of post-Soviet management. In this regard, the following point is also interesting: Experts from the aforementioned financial institutions are basically trying to apply their Latin American achievements to Ukraine, at the same time ignoring the strategy and tactics of reforms in Southeast Asian countries. Why have the "Eastern tigers" not "pleased" our Western advisers?

First of all, financial stabilization in these countries was not achieved by reducing the money supply, but by expanding the supply of domestic products on the domestic market and increasing domestic investments which, in turn, prompted foreign investments. Second, particular attention was paid to the process of forming a well-developed competitive environment to detect potential efficient exporters.

To put it another way, this strategy of reforms resulted in the appearance of strong competitors in a number of sectors of world trade, thus forcing Western producers out of them. Why should the West need a "new threat from the East?" So, just the opposite picture is being observed in our country: Reforms are apparently proceeding, but competitiveness is declining. As a result, we are importing everything — from computers to detergents.

Financial-Budgetary Policy

By taking as a foundation the model of reforms which was thrust upon us by Western advisers — in which stabilization of the national currency is the first step — Ukraine fell into a peculiar trap. This can be confirmed by the experience of a number of Central and East European countries, in which it has been impossible to bring annual inflation below 30 percent by strictly monetary methods without significantly depressing domestic producers. Although these conclusions were made public a long time ago by the documents of the EU Economic Commission, our reformers pretended that they did not know them and rushed to set world records in curbing inflation.

We did not have to wait long for the results — in the form of a severe payment crisis counted in tens of billions of dollars. The government is currently trying to resolve this problem by purely technical methods (up to a hasty attempt to borrow money from the governments of the "Magnificent Seven"), and is carefully veiling its strategic errors. As a matter of fact, we are dealing with the economy's adequate reaction to hyperdemonetization, that is, a severe lack of money for normal monetary circulation. The easiness with which the parliament approved the president's candidate for the new prime minister shows that the president's opponents in the Supreme Soviet understand very well into what trap the executive authorities have driven themselves in this case.

The idea of radical monetary reform is coming to the same natural and purely technical end. As everybody knows, the president has publicly announced the long-awaited event five times. Therefore, his last announcement in this regard did not call forth any reaction either from the public or our foreign partners. However, there was a completely objective reason behind this reaction: The official and shadow economies have parted ways so much in terms of financial functioning that a confiscatory method of monetary reform no longer makes sense. Perhaps it will be only law-abiding legal and physical persons who will suffer. The longer the "threatening reforms" continue, the more possible it is that the reform will boil down to the usual reduction of the number of zeros (denomination) on hryvnya bills.

Meanwhile, a modern economic policy of every market-oriented country is based on two groups of regulators — monetary, and fiscal/budgetary (the latter represent the essence of Keynesianism). To ignore methods of budget regulation means to depress structural and social policy, not to mention monetary policy, which are meant to increase the competitiveness of domestic producers.

In the United States and Great Britain under Ronald Reagan and Margaret Thatcher respectively, such economic policy was called "economic mail" [as published]. Yes, it eliminated the weak from the economy, but it strengthened the economy as a whole! Ukrainian monetarism (or, more precisely, its simplified, vulgar implementation) has led to a situation in which the economy is not adapting itself to new macroeconomic conditions. As a result, not weak but promising, science-intensive, and high-technology companies are being eliminated from the game.

Industrial and Social Policy

From the strategic perspective, the decline of high-technology production deprives Ukraine of historic

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prospects for joining the circle of highly developed nations. Logically, the consequences of this are even more dangerous than the social cost of reform, which is connected with the impoverishment of a large part of the population. It is evidently no accident that half of the directors polled are ready to curtail social programs in the name of the final economic result (true, 72 percent of them are for "socially- oriented" market reforms).

However, we are running a risk of falling into another trap — related to the plunge of real demand. The total income of the "upper" 10 percent of society exceeds the income of the "lower" 10 percent over 12-fold, at the same time as in the most polarized Western country — the United States — this indicator is 5.5 to one. However, when the real demand of a considerable part of the population is lower than the level of physiological subsistence, most types of economic activities become unprofitable or loss- making. As a result, there are currently no shares in Ukraine which would yield more or less stable and decent dividends. Thus, the investment process is being paralyzed. To put it another way, although the problems of the Ukrainian economy entered the sphere of Keynesian methods a long time ago, we are continuing to play with quasimonetarism.

The best confirmation of this is the situation which has developed in the area of pricing policy. Despite the fact that as little as 11 percent of prices are currently regulated by the state, the expensive method of setting prices, inherited from the Soviet era, has not been eliminated. This is one of the main reasons behind the decline in production. However, while this decline was of a structural nature in 1990, in 1992 it became total. Because of the structural deformation of producer prices (expenses on initial products have grown much quicker than those on finished products), all attempts by the government to financially support certain crucial enterprises and branches have been futile, and the structural deformity among branches has even deepened.

The tragedy lies in the fact that a more rigid payment discipline only leads to bankruptcy in these conditions. However, it leads to artificial bankruptcy because material expenses and taxes hold the lion's share in the structure of prices given the constantly shrinking share of wages. And this means that the battle with decline can be won mostly by restructuring producer prices. Only then will we be able to talk about making money circulation faster and mobilizing workers.

Unfortunately, in social policy we have not abandoned the ideology of state paternalism. Instead of creating conditions for the individual to provide for himself by working, the authorities have proceeded along the path of all kinds of assistance and privileges which are currently being blatantly called targeted, though they do not even cover one third of individuals' needs. The situation has been exacerbated even further by the policy of curbing personal incomes. Having ended up in a situation in which they could not "feed" themselves in a legal manner, people were forced into the shadow sector of the economy. According to the most modest estimates, in Ukraine approximately every third individual capable of working is currently employed in this sector.

Privatization

The "large privatization" in 1995 basically ended with failure: Of the planned 8,000 large companies, as few as 945 were put to auction. However, certain success was achieved with regard to small privatization, which was reflected in the SMC's poll. Yet, the problem of privatization came in seventh among priorities. Why? Because 93 percent of those polled witnessed a lack of progress in the operations of large privatized companies and 82 percent in the operations of small companies privatization as a formal and legal procedure is losing, or has already lost, its prestige and importance. This can be confirmed by the extremely low activeness of the population with regard to obtaining privatization vouchers, and then with regard to investing them in a "business."

For the sake of justice, it should be said that a majority of the polled managers of privatized companies have a very vague idea of what they need in order to work successfully. Apart from such standard answers as "lower taxes," "changes in the rules of payments," "protection of producers of goods," etc., it is hard to hear something constructive from them. As for managers of nonstate companies, their typical answer was as follows: They are not disturbed much by the quality of economic policy; they have learned to adapt themselves to any policy, except for a return to "real socialism." However, at the same time, one should keep in mind that the overwhelming majority of private businessmen are operating in the area of services. It seems that a majority of them are not able to survive in the production sector, either.

Thus, our society is currently facing the following choice: To continue privatization in new forms and with the help of new methods, and to reduce its economic scope, or to give it up completely and improve state property as the dominant form. As the current Cabinet of Ministers action plan indirectly confirms, because neither state officials nor leading specialists are able to sensibly select a "general line," they prefer to "inertly" drift — something resembling the "further

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implementation of privatization" in the presidential program for 1996.

Foreign Economic Activities and Investments

The low real demand — this time that of producers of finished goods, that is, consumer goods — has become one of the main reasons behind such a paradox in the domestic economy as the 19-percent growth of exports in 1994 and 1995 given the 23- and 19-percent decline in the GDP respectively. This upsurge was caused by massive exports of raw materials and low-technology products (60 percent of all Ukrainian exports).

As a result, the so-called "Dutch disease" — connected with the outflow of investments into primary branches — is developing in Ukraine. Judging by the development of the "disease," the so-called basic industries (the fuel and energy complex, metallurgy, and chemistry) are swelling, and the processing industry — primarily the science-intensive type — is dying.

An irrational situation in the area of investments has also been caused by the policy of minimizing amortization allotments and maintaining high interests rates on loans given the considerable decrease in the inflation rate. The largest decline in the volume of investments during the past few years — 35 percent in 1995 — was the natural result of this situation.

There is yet another characteristic feature of our domestic investment process: Not only is the main priority given to foreign investors, but special stress is laid on the least efficient form of investments — foreign government and international organizations' loans. Being primarily aimed at covering the budget deficit and balancing payments, they are "accompanied" by a number of special economic and political demands which, as a rule, lie very far from the genuine interests of our country. In particular, the peculiar attention paid by local reformers to the inflation rate was inculcated in them by IMF and World Bank functionaries.

Turning to the experience of other countries: Although China did not coordinate its reforms with the IMF, it has been able to attract $150 billion in the form of private foreign investments. The Czech Republic has done the same, and as a result, it is currently the champion of postsocialist transformation. In Russia and Belarus, there are complex programs for stimulating domestic and foreign investment. Moreover, with the help of market research, the Russian Federation detected an additional $9 billion to attract it to its economy in 1995.

Since we are already speaking about our eastern neighbor, while de facto using the most favored nation status in economic relations with Russia, Ukraine has not only failed to use this advantage from the strategic perspective, but has constantly been trying to put spokes into the wheels of mutual relations — as was the case with the pseudopatriotic row around the law on financial industrial groups. The results are sad: Substantial capacities of domestic companies are not used, Ukrainian products are losing their traditional markets, and a principally new foundation for political and cultural relations between the two great Slavic nations is not being formed. This is the cost of economic and political shortsightedness.

However, it is political instability which has the most negative effect on the investment climate in Ukraine, and it constantly places our country at the bottom of all the foreign ratings.

Leapfrogging in the Higher Echelons of Power

While during the first three years of its independence Ukraine had four governments, as many as four of them have already been replaced over the past year and a half. Moreover, Ye. Marchuk's government was formed within four months (certain appointments occurred even later), but according to temporary provisions of the new Constitution, a new Cabinet of Ministers will settle in within three months. Not a single state has allowed itself to do such a thing while being in a profound crisis. This situation is even more curious since every time at least every third high-ranking official was replaced and reshuffled in the three highest levels of the administration.

Therefore, the "succession of incompetence" has been quite rife in our country, particularly in connection with the administrative gap between decisions and mechanisms for implementing them. Certain decisions by the current "interim" government also distinguish themselves by this feature. For example, the decision to introduce a state monopoly on the production and sales of liquor is stuck on such a "small nuance" as the very modest presence of state-run trade companies on the market and the fact that a majority of producers of "booze" are joint-stock companies.

The economic "tug-of-war" between the Cabinet of Ministers and the Presidential Administration's economic structures is another source of instability among authorities. Theoreticians have too often held responsible offices in these bodies, which has brought economic policy to naught even if it has been possible to formally declare this policy coordinated. Over the past year and a half alone, there have been three or four such competing groups.

Finally, fundamental differences between the executive authorities and a number of influential eco-

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nomic commissions and the parliament's leadership have introduced substantial instability in the processes of running the economy. Moreover, the managers-respondents, whom we already know, think that the influence of the president (60 percent) and the government (48 percent) on the economic situation in Ukraine is more positive, while at the same time 20 percent of them assess the Supreme Council's work in a positive manner, and 51 percent in a negative manner.

Nonetheless, in truth it must be admitted that the president has managed to secure support of a parliamentary majority with regard to all fundamental issues.

Conclusions and Prospects

1. The crisis-like processes in Ukraine have been slowed down but not stopped. The profound crisis of the system of state administration is a decisive negative factor.

2. The state economic strategy is not based on a detailed model of development. As a result, the rigid quasimonetarism, imperfect taxation system, and officials' dictatorship have created such unfavorable conditions for production and business that they have pushed the latter into the shadow economy. An analysis of this sector's operations provides weighty reasons to claim that if the official authorities had not meddled in the economy, that is, if economic regulators had formed spontaneously, a more efficient economic system would have developed in Ukraine.

3. In Ukraine, inadequate attention is being paid to the improvement of economic security, and it is actually open for all sorts of "unfriendly" economic and political influence.

4. The direction of the country's development is aimed at forming an economy and society according to the Latin American pattern. The production and scientific capacities are already much lower than those which Ukraine had during the USSR era, and they are continuing to decrease. Therefore, the chances of joining the circle of highly developed countries are diminishing — which is objectively and considerably hindering our integration with the EU. According to most foreign ratings, Ukraine is an outsider among all postsocialist countries.

Further on, the presented report includes recommendations for the future. Frankly speaking, I do not want to spoil the impression of the good — in my opinion — analysis, which represents good food for thought and reflection. Appeals "to develop and make public, to correct and expand, and to stimulate and implement a complex of measures" are too fresh in our memories of the past to adorn the report or add something substantial to it. After all, the official "Main Tenets...", which are so criticized by the authors of the report, abound in similar "revelations."

Therefore, as for the immediate future, I will restrict myself to the opinions of the company directors presented in the SMC report. To the question: "How do you assess prospects for the economic situation in your company this year?" approximately a fourth of them replied that they will improve because there are certain preconditions for this, while every third respondent thought that it will be just the opposite. As for prospects for the Ukrainian economy as a whole in 1996, on average the answers were distributed in the following way: approximately 10 percent believed in "improvement," and around 70 percent in "deterioration."

What is symptomatic, however, is that with regard to the first question, every third respondent said that "it is impossible to predict anything." This once again shows how difficult it is to make even relatively short-term forecasts in our extremely difficult situation.

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Belarus

Belarus: Officials React To Alleged CIA Plot Against Lukashenka

LD2507220396 Moscow NTV in Russian 1800 GMT 25 Jul 96

[From the "Segodnya" newscast]

[FBIS Translated Text] The Belarusian KGB [State Security Committee] has reacted to Viktor Ilyukhin's statement very calmly. There is a feeling that it was the people from Minsk who provided the Russian parliamentarian with this information. As for President Lukashenka who is currently visiting Turkey, he has not yet reacted in any way to the information about the intrigues against him plotted by special services from the West. It seems he is in the picture too. Our correspondent Aleksandr Stupnikov reports from Minsk.

[Begin recording] [Stupnikov] The reaction provoked by Viktor Ilyukhin's statement about the CIA's detailed plan and the situation regarding the removal from power in Belarus of current President Lukashenka has been one of surprise and bewilderment.

The Belarusian KGB seemed to be unprepared to comment on the subject. Deputy Foreign Minister Ivan Antonovich said today that the information about the alleged plot against Belarus had been a total surprise to the Ministry of Foreign Affairs. No one at the Security Council could comment on the subject.

However, Ilyukhin's counterpart in Belarus, Mikalay Karpiyevich, the chairman of the parliamentary Commission for National Security, was more specific.

[Karpiyevich] There is something in all this. But on the other hand, information that some concrete spying operations were currently under way on the territory of the Republic of Belarus is not true. I am saying this with full responsibility in my official capacity.

I have very good contacts at the Belarusian State Security Committee and the Internal affairs Ministry. Periodically they tell me about the developments on Belarusian territory and so on. Nothing extremely dangerous or extraordinary has been forecasted or is being forecasted.

[Stupnikov] Belarusian television has presented Viktor Ilyukhin's statement as a story about the plot by the special services from the West against Slav civilization.

Parliamentary speaker Syamyon Sharetskiy today expressed surprise at the topic itself.

[Sharetskiy] I have never felt this and I have never heard about this. Moreover, at my meetings with the leaders of Western states, including the United States, they have always stressed that as a sovereign state we are entitled to decide ourselves how close our relations with any state or our dependance on any state should be. Particularly with Russia — even God told us to have close relations with Russia. [end recording]

[Stupnikov] Until now in Belarus only Alyaksandr Lukashenka and his ideological adviser Uladzimir Zamyatalin have been talking about the activities of special services from the West against the president. Without any grounds, Zamyatalin has recently accused journalists of receiving bribes from special services from the West for carrying out, while obtaining information, what is essentially the work of secret services.

As for secret services, according to our unofficial information, in other words, information from our agents, the chairman of the State Security Committee of Belarus this afternoon handed over an ancient folio to the national library. As for the plots against the republic, a high-ranking official from the KGB in our conversation stressed that the KGB is a serious organization that is not involved in any politics, not to mention dirty politics. [end recording]

Belarus: KGB Not Surprised By Western Plot To Undermine Leaders

LD2507163296 Moscow INTERFAX in English 1617 GMT 25 Jul 96

[FBIS Transcribed Text] MINSK, July 25 (Interfax-West) — The claim made by Russian State Duma committee chairman Viktor Ilyukhin (Communist Party) of provocations planned by Western special services to discredit Belarussian leaders came as no surprise to the Belarussian KGB,

Nikolay Karpiyevich, chairman of the country's Supreme Soviet National Security, Defense and Crime Fighting Commission, told Interfax.

The appropriate agencies have for some time had information on this at their disposal and been in control of the situation, he said.

Belarussian Deputy Foreign Minister Ivan Antonovich told Interfax that "the information made public by Ilyukhin has to be thoroughly checked, without which any comment would be simply improper."

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Belarus: Destabilization Part of 'Anti-Slav' Plot

MM2607092396 Moscow PRAVDA-5 in Russian 26 Jul-2 Aug 96 p 2

[Vladislav Chukanov report of remarks by State Duma Security Committee Chairman Viktor Ilyukhin: "Whence the Threat to the Slavic World"]

[FBIS Translated Text] Slavs have never been in as much danger as they are on the threshold of the 21st century. They are being hit by one blow after another. Following the collapse of the Soviet Union, Allen Dulles' tenet of suppressing the Slavic countries — which he voiced right after World War II — has started to be implemented. In Yugoslavia things have developed as if Germany had won the war, and what Hitler failed to achieve then is now being done successfully.

Russia in Danger

According to some estimates, the Western world spent $4 trillion on the Cold War. More than $81 billion was spent on creating a so-called dissident movement, "free" trade unions, and human rights organizations in our country. And the West will be doing everything to ensure that the former Soviet Union is never revived in any form. Even in the form of a union of the three Slavic republics — Russia, Ukraine, and Belarus.

In order for this truly never to happen it is necessary to destroy Russia. How? There is a plan to pick out four or five independent regions.

The first region will be Moscow.

The second region will be the Urals. There have already been propositions from E. Rossel about setting up a Urals Republic.

The third region will be Maritime Kray. The currently difficult economic situation there is one that has to a certain extent been artificially created.... It is worthwhile trying to convince the people that, if federal taxes are not paid, life will immediately become much better. There are allegedly enough resources in the kray for everyone — they need only uncouple themselves from the Russian train.

The fourth region will be Kaliningrad Oblast. There is news from Germany that the search is under way for legal grounds whereby the renewed Germany could retrieve Kaliningrad. For the moment, admittedly, that talk is at the level of movements and public organizations and not at state level. But only for the moment.

The fifth region will be the North Caucasus.

With the sovereignization of those regions, the rest of Russia will collapse of its own accord.

Net For Ukraine

I am worried about the stance taken by Ukrainian politicians. It seems as though they have still not realized that the West never gives anything away just like that. I am simply warning them: Ukraine could lose Crimea. According to some estimates, the IMF has invested $10 billion to bring the Crimean Tatars back to the peninsula and provide facilities for them. When the Tatars comprise the majority of the population in the autonomous republic, a referendum on independence will be held, and the results will be immediately recognized by Turkey and the United States.

Who Is Encroaching on Belarus?

The West is doing everything to ensure that we never unite with Belarus. In the next few days a most serious blow will be dealt to Belarus — primarily to President A. Lukashenka.

According to our information, a group of 18-20 high-ranking CIA officers are currently working in Poland. They are preparing a special Belarus operation. What is the essence of this action? In major cities in the republic — primarily, Minsk, Vitsebsk, Mahilyow, and Rsha — strike centers along the lines of Poland's "Solidarity" will be set up. The organizers' plan is that they should produce a wave of political strikes. These measures are scheduled to begin 1 August this year. The strikes are supposed to continue for one or two weeks. At the same time, the Belarusian People's Front — an essentially antipeople and anti-Slavic organization — will be organizing a major antipresidential demonstration in Minsk in which 10,000-30,000 people are expected take part. Several hundred gunmen from the Ukrainian National Assembly-Ukrainian People's Self-Defense nationalist organization will also be involved in the demonstration. These will be well-drilled and well-trained fighters.

These actions could result in all kinds of provocations, up to and including the killing of demonstrators and Ukrainian National Assembly-Ukrainian People's Self-Defense gunmen. All this would then be pinned on Belarusian law-enforcement organs. And on President A. Lukashenka.

The Russian mass media — in particular, NTV, "Vesti," and "Zerkalo" — have their own role to play in this action. According to our information, $250,000 has already been allocated for these purposes.

The final part of the action will take place at the Belarusian Supreme Soviet. Already around 50 deputies from the republic's parliament are prepared to raise the issue of impeaching President A. Lukashenka. It is planned to remove A. Lukashenka from his job 15-18 September. And to set a date for a new election.

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Why do I say this with alarm? This action is aimed not only against A. Lukashenka, not only against Belarus, but also against Russia. Belarus is a testbed for the anti-Slav forces. They want to light a fuse in Minsk to produce an explosion in Moscow.

What Is To Be Done?

Our main weapon today is words. We need to familiarize the public as widely as possible with the anti-Slav forces' plans.

We then need to explain to regional administration heads what their sovereignty games could lead to. Those who do not understand should be voted out in the fall elections.

Finally, we need to raise the question at national referendums in our countries of creating a confederation of Slavic states. That confederation could include Serbia, Montenegro, Macedonia, Slovakia, Ukraine, Belarus, Russia....

...There used to be a custom in Russia whereby the assembly bell would be rung to indicate bad news. The time has come for us too to sound the alarm! A disaster, a very great disaster awaits the Slavs of the world at the end of the 20th century. The choice is easy: to remain free or to become slaves. And we would like to shout with our full Slavic might: Brother Slavs, the fatherland is in danger!

Belarus: Supreme Soviet Appeal on Nuclear-Free Zone in Europe

WS2607083696 Minsk ZVYAZDA in Belarusian 24 Jul 96 p 2

["Appeal to European Parliaments and Peoples," adopted by the Belarusian Supreme Soviet, in Minsk on 11 July]

[FBIS Translated Text] On the eve of the 55th anniversary of the beginning of the Great Patriotic War, we, the deputies of the Belarusian Supreme Soviet, appeal to you not to forget the lessons of the tragic past which brought many misfortunes to the peoples on our continent, and we propose an initiative to create a nuclear-free zone in Central Europe.

We express our serious concern over the fact that NATO's eastward expansion is actually ruining the balance and alignment of forces that developed in the course of the Yalta Agreements in 1945, posing a threat of escalating international tension in the center of Europe and actually increasing the risk of nuclear confrontation.

All this causes serious concern because the territory of our Republic may become a zone of confrontation during peacetime. In the current situation, there is a need for urgent action on the part of the parliaments of Central European countries, based on the trust and support of their peoples and aimed at searching for and making untraditional decisions that would contribute to the maintenance of the military-strategic balance in this region. In this regard, the Belarusian Supreme Soviet proposes an initiative to draft and sign a multilateral convention aimed at establishing a nuclear-free zone in Central Europe. Russia, Belarus, Ukraine, Poland, Lithuania, Latvia, Estonia, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, and other countries of Central Europe and other regions of our continent, as well as NATO member-states, could participate in this convention.

The Belarusian Supreme Soviet, expressing its people's will and intention to protect our common and priceless achievement — peace — appeals to European parliaments and peoples to give their important support for this initiative, and to prevent a nuclear disaster. Our people, who lost millions and millions of their compatriots in the firestorm of war during the past few decades, know better than anybody else the price of war and peace, the price of tragedy and happiness, and the price of tears and smiles on the faces of our women and children. We have no moral right to forget the past and recklessly upset the balance of trust and mutual understanding which developed with great difficulty in the course of the over 50-year post-war period. To counterbalance the well-known Latin proverb, we state the following: "If you want peace, enhance and protect it." Our constitutional goal is to transform Belarus into a nuclear-free zone and a neutral state.

We appeal to European parliaments and peoples, as well as all people of goodwill, to give the Belarusian people a historic chance to achieve this noble and radiant goal.

Belarus: Parliament Speaker on Referendum, Lukashenka

WS2507120996 Minsk ZVYAZDA in Belarusian 24 Jul 96 pp 1,2

[Yuras Lyashkevich report on call-in interview with Belarusian Supreme Soviet Chairman Syamyon Sharetski at the ZVYAZDA office in Minsk; date not given: "Syamyon Sharetski: 'I Have Not Changed My Opinions'"]

[FBIS Translated Excerpt] **Supreme Soviet Chairman Syamyon Heorhiyevich Sharetski visited ZVYAZDA's office last week. He came to talk with our readers on a "direct line," listen to their problems, and answer numerous questions — and there were indeed many. Over 40 people managed**

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to get in touch with the speaker on our telephones (I can imagine how many people did not manage to get him on the phone, because the telephones were busy virtually all the time), dozens of people had called earlier, and many had sent letters. Of course, the limited space on the pages of our newspaper does not make it possible for us to publish Syamyon Sharetski's answers to all questions because some were very narrow, specific, and even personal. Nonetheless, not a single letter or telephone call was left unanswered by the parliament leader. Today we are offering our readers only those excerpts from their telephone conversation with Syamyon Sharetski which are the most important and interesting for the public.

Referendum: Echoes of the Old One and the Specter of a New One

Approximately every third question addressed to the Supreme Soviet chairman concerned either the results of the previous referendum or the idea of holding a new one. Certain readers persistently demanded that the parliament take some cardinal action to validate the results of the plebiscite held on 14 May last year, and when they received an answer which did not satisfy them, they even resorted to scolding. Our editorial board received letters from Vitsebsk written in the same handwriting but with different addresses. The letters contained the same demand. At the same time, other readers were interested in the fate of the former state symbols and the Belarusian language. The initiative to hold a new referendum elicited certain repercussions, but opinions on this issue were polarized. Some people wanted to know the purpose of the nationwide vote and the means of carrying it out, while other people were ready to go to the polls without knowing what the proposed questions were. Here are a few questions and answers concerning this topic.

[Uladzimir Larmyonenka, Pukhavitski rayon] What is your attitude toward proposed changes to our country's Constitution?

[Sharetski] I have already said this: in principle, one can change or amend the Constitution. For this purpose, the Constitution provides a certain established mechanism and procedure for introducing changes and amendments. However, if a group of impostors, whom the Supreme Soviet does not know, are working on these changes, such a procedure will produce only negative results. I think that one should not introduce changes to the Constitution only because it was apparently drafted for an individual with a different nature [reference to Lukashenka]. Our Constitution was written for the Belarusian people. There is only one legal prescription for all branches of power: do not violate the Constitution and the laws.

[Mikhail Shablowski, Navahrudak] Can the Supreme Soviet put to a nationwide referendum the question about granting an official status to Belarus' national symbols — the "Pahonya" coat of arms and the white-red-white flag?

[Sharetski] For example, I believe that there are no socialist or capitalist symbols. There are national symbols, and they do not change daily. Therefore, there is the question of the attitude to these symbols, as well as to those of the Soviet era. Moreover, the flag of the Belarusian SSR was adopted in 1956, and it is thus hard to say that it is historic. I think that time will resolve this issue in a better manner.

[Leanid Stsyapanaw, Minsk] Why have the results of the referendum not been approved legislatively? It proves that a child learnt Belarusian two years ago, Russian last year, and is currently learning Belarusian again.

[Sharetski] No matter whether there is a referendum or not, parents will still have the right to choose a language for their children. If the issue of choice becomes very acute, one can either do what the majority of people want or transfer one's child to another school.

[Stsyapanaw] But the point is that it is not Belarusians who want to learn Belarusian, but mostly children of Jews and those who have nothing to do with Belarus. In general, the Belarusian language is not a language but a dialect of the Russian language.

[Sharetski] I do not want to talk with you any longer; you are simply a boor. You have just offended the Belarusian people....

[Myalyukha-Kartashevich, Yafim Syamyonaw, and Uladzimir Ramanowski, Vitsebsk] When will the Belarusian Supreme Soviet implement the will expressed by the people in the 14 May 1995 referendum, and when will it grant a state status to the Russian language?

[Sharetski] As a matter of fact, the referendum did not change anything. Both languages — Belarusian and Russian — were authorized, and only the Constitution defines Belarusian as a state language — every state should have one — and Russian as an officially recognized language of inter-ethnic relations. In my opinion, every citizen of our country should know both languages, and even a third one — English, or some other.

[Unidentified caller] When will the issue of introducing one currency in Belarus and Russia be put to a referendum?

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[Sharetski] When there will be one country instead of two. However, this question currently does not exist.

[S. Rybak, Brest] Why do we not respect our symbols? Why do we not have our own anthem?

[Sharetski] We do have our anthem. As everyone knows, the Supreme Soviet is concerned about this. Personally, I would take Kanstantsyya Buylo's poem "I Love My Country..." as the anthem....

[Halina Buychyk, Mikhas Blakhin, Uladzimir Horski, and Yanka Tyshko, Vitsebsk] It appears from your latest speech that the parliament's second session will be conducted in Belarusian. God help us, but who is currently preventing many deputies from communicating in Belarusian? When will we — voters and television viewers — finally receive objective, full, and precise information about our parliament's activities?

[Sharetski] This will take place if the Belarusian Broadcasting Company chairman, who was appointed by the president, begins implementing the law.

Relations Among Different Branches of Power

It is not true that our compatriots are completely indifferent to what is going on in the highest echelons of power. As a matter of fact, it is just the opposite, which was confirmed by the conversation on the "direct line." Because living standards are deteriorating, people are instinctively asking who is guilty, and who obstructs whom?

[Yawhen Kupin, Minsk] Is the Supreme Soviet able to create conditions for economic laws to work, as well as for the observance of the Constitution and our country's laws by all citizens, including the president and other powers?

[Sharetski] This does not depend only on the Supreme Soviet's goodwill, but also on the president. On its part, the parliament is doing everything to make people who do not want to observe laws observe them anyway. For example, we passed a law on responsibility for violating the Constitution and laws, and the responsibility of officials who make their subordinates violate laws. So, either the executive authorities change their attitude toward the law, or the prosecutor general will have his say.

[Tatstsyana Supranenka, Minsk] Previously, I considered you a reliable aide to our president, and even collected signatures to support you, but you went to the United States and changed your opinions, thus disappointing us. Why have you changed your viewpoint so much? Why do you not want to bear as much responsibility as the president?

[Sharetski] I have repeatedly presented my opinion on this issue in the press. First of all, I have never changed my opinions because of going somewhere. As for what I said in my speech at the parliament session, I have been advocating this for a long time, ever since I began work in a party school where my opinions were finally formed. Second, the president was a different man before. Moreover, in what field of activities does he need support? In violating the law? During its first session, the Supreme Soviet positively examined all proposals submitted by the chief of the executive branch, but the president vetoed almost all laws passed by the Supreme Soviet. Incidentally, we overruled his vetoes by the required majority of votes. As for the responsibility, I would like to bear it, but the president does not allow anybody to approach him, and thinks that he is responsible for everything.

[Yan Kolyado, Vileyski rayon] Will you raise the issue of liquidating the "state within the state" — [administrator of presidential affairs] Ivan Tsitsyankow's department, which has taken a number of facilities under its jurisdiction?

[Sharetski] This issue has already been raised. The Control Chamber chairman has sent a letter to parliament, actually confirming that this is a "state within the state." Vasil Sakovich has informed the Supreme Soviet leadership that at the president's instruction, Control Chamber inspectors are being denied entrance to certain facilities subordinated to Mr. Tsitsyankow. I have had this report published for all deputies. Currently, I am informing our voters about this.

[Kolyado] Will you raise the issue of impeaching President A. Lukashenka?

[Sharetski] So far, the issue of impeachment has not been raised. This is an extreme method of exerting influence on the president. Nobody is talking about this as yet; nobody has initiated this.

[Yawhen Yarholin, Minsk] Is the Supreme Soviet going to appeal to the Constitutional Court to examine the validity of Presidential Edict No. 208 which provides for the re-registration of all economic entities?

[Sharetski] The Supreme Soviet will not appeal to the Constitutional Court, because representatives of the presidential structures themselves are saying that the edict will soon be annulled.

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[V.I. Hrytsuk, Minsk] How, in your opinion, can one make local soviets more active?

[Sharetski] We are going to hold a meeting on this issue. We must create conditions for their work. Not only the soviets themselves should be interested in the activities of local soviets, but also the executive authority bodies. As Churchill said, although democracy is a very inefficient way of ruling a state, mankind has not yet discovered a better one. Therefore, although the existence of soviets actually delays and even hampers the process of resolving problems by the executive branch, these problems are thus resolved in a better manner. [passage omitted]

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Kyrgyzstan

Kyrgyzstan: Appeal for Central Asian Unity on Energy, Water Supplies

LD2507084496 Bishkek Kyrgyz Television Network in Kyrgyz 1430 GMT 23 Jul 96

[Appeal to the parliaments and governments of the Central Asian Republics of Kazakhstan, Tajikistan, and Uzbekistan by the Supreme Council of the Kyrgyz Republic; date not given — read by announcer]

[FBIS Translated Text] Dear friends! We, the parliamentarians and members of the government of the Kyrgyz Republic, like you, unanimously support the efforts that have been adopted recently by the presidents of Kazakhstan, Uzbekistan, and Kyrgyzstan to deepen economic integration between our states, based on the principles of equality and mutual benefit in maintaining their sovereignty. In view of this, we have resolved to propose to our brothers and neighbors to take more specific and essential steps that, we believe, will promote the comprehensive intensification of the integration process in our states that has been started by our presidents. Only such a process will ensure that stability and peace will be further reinforced in our Central Asian region. The historical course that our states have taken shows this convincingly. Not one of the problems in political, economic, and ecological spheres that we have faced could not and cannot be solved alone, without uniting our efforts. This is dictated also by the unity of history, culture, way of life, and traditions of our peoples. Our people know each other excellently, although each speaks his own native language. This is clear, because the roots of our languages are also common. Our people live in a single geographic space. Neither border nor customs barriers can separate our interests, as we depend on each other absolutely. Our people will always be side by side, and we always have to search for and find common ways to solve the more important problems of guaranteeing life.

Today, the appeal says further, there are many pressing tasks before us that should be solved by the common efforts of our countries without delay. It is impossible to throw as much light on them as needed. This is why we would like to draw your attention to some of them.

Dear friends! Such problematic questions as the doubling of the generation of electric power; increasing water supplies to agriculture, industry, and other sectors of economy; as well as improving water supplies to people in cities and villages have acquired paramount importance for our states. Preventing the pollution of the water basin and air space of our Central Asian region is becoming a global problem. Our states can solve all these and other problems by joint efforts in improving the life support system of their own people. In light of this we propose the following to you.

The Interstate Council of the Republics of Kazakhstan, Kyrgyzstan, and Uzbekistan should work out and study thoroughly the problematic questions of using the hydroelectric and water resources of Kyrgyzstan for the mutual benefit of the people of the three countries, and work out documents about this issue to be signed by the governments of our states.

The signing of such a document will promote the formation of immense, mutually beneficial, and rich hydroelectric water resource reserve, in which Kyrgyzstan will play a leading role for all our nations. Kyrgyzstan always comes to meet the interests of Kazakhstan, Uzbekistan, and Tajikistan halfway. It is ready to solve the questions of supplying our region with energy and water in the name of reinforcing peace, good-neighborliness, and friendly relations between our countries. We hope sincerely that you, dear parliamentarians and government members, will consider these questions of ours, which are now a supreme priority for cooperation between our countries, more attentively.

We are confident that you will always take a firm step toward us. This is a sign of the stable friendship of our nations. Let us do all in our power to make the foundations of joint cooperation stronger, which is advantageous to each of us.

With deep respect and most sincere wishes,

[Signed] The parliamentarians of the Supreme Council of the Kyrgyz Republic.

Kyrgyzstan: Moscow, Bishkek Discuss Cooperation Between Secret Services

LD2507133996 Moscow INTERFAX in English 1241 GMT 25 Jul 96

[FBIS Transcribed Text] BISHKEK, July 25 (Interfax) — The chief of Russia's Foreign Intelligence Service Vyacheslav Trubnikov met with President Askar Akayev of Kyrgyzstan in Bishkek on Thursday [25 July].

The two men discussed cooperation between the two countries' secret services in the efforts to combat terrorism and arms and drugs trafficking, the president's press service told INTERFAX.

Trubnikov will also confer with the leaders of Kyrgyzstan's National Security Ministry, the press service said.

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Kyrgyzstan: Pakistani Defense Delegation Discusses Military Cooperation

LD2407085496 Bishkek Kyrgyz Television Network in Russian 1430 GMT 23 Jul 96

[FBIS Translated Text] There was a meeting between a delegation from Pakistan and the leadership of the Armed Forces of our republic in the Ministry of Defense today.

[Begin recording] [Unidentified correspondent] Equal, mutually beneficial, and comprehensive relations, which are still in the first phase of development, are being established between Kyrgyzstan and Pakistan. However, they have great potential and a promising future.

In this context the military departments of the two states should also make their contribution to this process in order to give it dynamism and intensity. Common points of contact and common interests should be identified to find an optimal version for military cooperation, and this can be achieved only by establishing working and personal contacts in official meetings and visits.

The military leadership of the Kyrgyz Republic, led by the Minister of Defense Colonel General Myrzakan Subanov, and the military delegation of Pakistan, headed by General Iftikhkar Khuseyn Shakh [name as heard], the head of the unified headquarters, took part in the meeting.

[Subanov] The aim of the visit is to study the position of the Armed Forces of the Kyrgyz Republic and, if common interests and points of contact are found, then to deepen, as far as possible, future military cooperation, in particular the question of making further use of the former [word indistinct] of central courses [kurs] which is nowadays a military air base of the Kyrgyz Republic.

[Correspondent] The representatives of tens of states were trained in military skills in our military training subdivisions under the former Soviet Union. They are, in particular, helicopter pilots, fighter pilots, and other aviation specialists. Nowadays the military air base of Kyrgyzstan is not functioning at full capacity. However, our specialists are ready now for mutually beneficial cooperation with former Soviet and other countries as well. The military delegation from Pakistan also intends to familiarize itself with our republic's other Armed Forces units over a week, as the delegation includes representatives of ground forces as well. [end recording]

Tajikistan

Tajikistan: UN Official Decries Cease-Fire Violations

LD2507155196 Moscow INTERFAX in English 1543 GMT 25 Jul 96

[FBIS Transcribed Text] DUSHANBE, July 25 (Interfax) — The official Dushanbe and Tajik opposition leaders should realize that by violating the signed agreements on an end to combat activities they cast doubt on their intentions to achieve peace settlement in Tajikistan, Herd Dietrich Merrem, special envoy of the U.N. secretary-general in Tajikistan, told a news conference in Dushanbe Thursday [25 July].

Citing reports of U.N. military observers, Merrem said shooting between opposition units and government forces continues in Tavil- Dara (200 kilometers east of Dushanbe). In particular, rebels opened fire on a police outpost and the building housing local authorities in Komsomolabad last night. There has been no information about losses on either side.

At the same time Merrem said he still does not have final reports from U.N. military observers, in particular about the situation in Tavildara, where the observers have not gotten yet. According to him, the four groups of observers moving to Tavildara from Kalaikhumb, Komsomolabad and Khovaling were stopped on the way at government road blocks.

Only on July 24, with active help from Tajik Foreign Minister Talbak Nazarov, the U.N. officials met with deputy heads of Tajik defense, security and law-enforcement agencies. Representatives of the Tajik Defense, Security and Interior Ministries pledged to provide necessary assistance to all the groups of military observers.

The groups continued moving toward Tavil-Dara Thursday, except on the route to Khovaling, where observers were again stopped at a check point near the village of Deftar, said Merrem.

He said that the U.N. mission in Tajikistan and the U.N. security Council will regard any shooting or the sides' intention to expand the area of their military presence on various territories they occupied before noon of July 20, when the ceasefire agreement signed in Ashgabat came into effect, as truce violations.

Ian Anderson, acting head of the U.N. military observers in Tajikistan, refuted in an interview with INTERFAX a statement made by a Tajik opposition leader, Akbar Turadzhonzoda, that Russian troops assist Tajik government forces at check points at a pass from Tavil-Dara to the Kalaikhumb area. According to Anderson, the U.N.

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military observers who moved from Kalaikhumb and through the pass did not see Russian troops there.

Tajikistan: Moscow Denies Russian Units Participating in Conflict

LD2507153196 Moscow ITAR-TASS in English 1521 GMT 25 Jul 96

[By Yuriy Kozlov]

[FBIS Transcribed Text] MOSCOW, July 25 (Itar-Tass) — Statements by leaders of the Tajik opposition that Russian units are allegedly taking part in combat operations in Tavil-Dara on the side of the government forces, "do not correspond to reality."

Such statements give grounds to think that "the leadership of the Movement of Islamic Revival of Tajikistan is seeking a pretext for not fulfilling the Ashgabat agreements," Russian Foreign Ministry spokesman Vladimir Andreyev told a briefing here today.

The Russian diplomat said that at the recent round of the inter-Tajik talks in Ashgabat the sides had reached agreements on a cease-fire and the observance of the Teheran agreement.

According to him, the main task now is to ensure an unfailing implementation of these agreements by the sides and the creation of the proper atmosphere for a planned Moscow meeting between President of Tajikistan Emomali Rakhmanov and leader of the opposition Said Abdullo Nuri.

"At the same time, we are alarmed about the real situation concerning the observance of the cease-fire regime."

Everything seems to indicate that military operations continue in the Tavil-Dara zone of Tajikistan. The situation still remains tense on the Tajik-Afghan border where considerable forces of militants of the Movement of the Islamic revival of Tajikistan are concentrated on the contiguous territory, the Russian Foreign Ministry spokesman pointed out.

"As for the Tajik-Afghan border, which is guarded by the frontier troops of the Russian Federation together with units of Kazakhstan and Kyrgyzstan, we warned the leadership of the Tajik opposition that no violations of the state border of Tajikistan should be committed," Vladimir Andreyev stressed.

Tajikistan: Nazarov: Opposition To Participate in Power Ministries

LD2307165696 Moscow INTERFAX in English 1516 GMT 23 Jul 96

[FBIS Transcribed Text] DUSHANBE, July 23 (Interfax) — Tajikistan's Foreign Minister Talbak Nazarov on Tuesday [23 July] confirmed the principal consent of Dushanbe for the participation of representatives of the opposition in the power structures, although he described the idea of creating Council of National Reconciliation, as the opposition insists, as unacceptable.

He spoke in favor of creation of a special commission to control the fulfillment of agreements reached during the latest round of inter-Tajik talks in Ashgabat.

He proposed the inclusion of representatives of official Dushanbe and opposition in this body, along with members of the joint commission on observance of the Tehran cease-fire agreement, representatives of the United Nations and the International Committee of the Red Cross.

It is necessary "to clarify the details of the mechanism" for an efficient fulfillment of the provisions of the protocol on an exchange of prisoners of war, Nazarov said.

One of the tasks of the special commission is to control the solution of the problem regarding "prisoners from the list of the opposition who must be convicted in line with Tajik law," he said.

Nazarov said lists of the POWs will be handed over to the International Committee of the Red Cross after their clarification.

He expressed regret that the issue of creating posts of U.N. military supervisors on Afghanistan's territory had not been resolved.

Special envoy of the U.N. secretary-general Herd Merrem will establish the precise date for the next stage of the negotiations.

Nazarov does not know precisely the date and place for a meeting between Tajik President Emomali Rakhmanov and leader of the Tajik opposition Sayed Abdullo Nuri.

Having assessed the results of the Ashgabat talks as positive, Nazarov said that only the observance of the three documents signed in Ashgabat, the statement on a cease-fire, the protocol on an exchange of POWs and a communique on the results of the meeting, "will give the opportunity to move further on the way to a political settlement of the inter-Tajik conflict."

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Tajikistan: Opposition Leader Interviewed in Afghanistan

LD2307184296 Moscow NTV in Russian 1700 GMT 21 Jul 96

[From the "Itogi" program with correspondent Yelena Masyuk]

[FBIS Translated Excerpt] Repatriation means the return of refugees. Every week, 15-20 Tajik refugees return home from Afghanistan in the hope of finding peace there. [passage omitted: interviews with people in Sakhi refugee camp near Mazari-Sharif, Afghanistan, who say that while being a refugee is hard, returning home today would be worse. There are almost 7,500 Tajik refugees in the camp. They all fled in late 1992 when Emomali Rakhmanov came to power. 1,700 people have died of hunger, cold, and disease in the camp. There is no work in the camp. Male refugees joke there is only one thing to get up to: reproduction. Despite the malaria and typhus, 15-20 children are born in the camp every week. The United Nation sends each refugee eight kilograms of wheat, 300 grams of sugar, and 720 grams of dried milk. Local Afghan commander General Abdorrashid Dostam recently donated $2.5 million and 20 sheep to the camp. The United Nations plans to end its food aid by December 1996 as it considers conditions in Tajikistan to be better]

Many people in Afghanistan believe the Tajik refugees are a shield of sorts for the Tajik opposition in their talks with the Dushanbe government, and world opinion believes that part of the Tajik people is forced to roam the Pamir Mountains because of Dushanbe's official policies. [video shows Sayed Abdullo Nuri, leader of the Combined Tajik Opposition]

[Begin recording] [Nuri, in Tajik with superimposed Russian translation] We are fighting to restore the full rights of our 1 million countrymen living abroad and 2 million living inside Tajikistan. That is what we are fighting for. [end recording]

That is the opinion of the leader of the Combined Tajik Opposition, Sayed Abdullo Nuri. His headquarters is in the town of Taloqan in the north of Afghanistan. Mr. Nuri stresses that he is engaged in political activities alone in Afghanistan. Nuri claims that there are no longer any military training camps for Tajik mujaheddin in Afghanistan. All the warriors of Islam have gone to Tajikistan.

[Begin Nuri recording] We used to have no problems in the Islamic State of Afghanistan, but today we have. The Kabul authorities are gaining in strength and they disagree with our clashes on the border. [end recording]

Evidently even the Afghan general Ahmad Shah Masud, an ethnic Tajik, was unable to defend the Tajik opposition against attacks by other Afghan leaders.

Masud did not want a guest whose presence would lead to problems with his neighbors. [passage omitted: Dostam, an ethnic Uzbek, is particularly hostile to the Tajik opposition, correspondent says. Dostam has great power, with control over 1,500 km of Afghanistan's border, including 200 km of the border with Tajikistan]

According to Mr. Nuri, the armed Tajik opposition is forming close relations with the Islamic Republic of Iran and Pakistan. There are contacts with the leaderships of Uzbekistan, Turkmenistan, Kyrgyzstan, and Kazakhstan. And of course the Tajik opposition retains a special relationship with Afghanistan in spite of everything.

[Begin Nuri recording] The Afghan people wishes us well. They are burning with desire to fight alongside us but we don't let them. [end recording]

It is known that the Tajik opposition does not have any problems with arms. It is also known that these weapons pass mainly through Tajikistan and Mr. Nuri does not hide that.

[Begin Nuri recording] You know that the central authorities in Kabul cannot control the entire territory of Afghanistan. Second, there are a great many refugees here in Afghanistan who left Tajikistan before the revolution, at the beginning of the century. They are here and are helping us.

Third, there are many different parties and movements that sympathize with us, and in Afghanistan everyone has the right to traffic in arms. [end recording] [passage omitted]

Mr. Nuri said there were three reasons why the opposition was not unleashing large-scale military operations in Tajikistan. The first is the expansion of drug-trafficking in the Central Asian region. War will make it even less possible to control that process. The second reason is the spread of terrorism. And the third, the main reason, is that if a large-scale war begins in Tajikistan nobody will be able to stop it, not even Russia. Therefore the opposition leader is making repeated calls to Moscow to pay heed to the armed Tajik opposition.

[Begin Nuri recording] The Russian state should understand that we cannot hold out for long. If they are sympathetic toward us, we are good; if not, we will be forced to fall into the embrace of another state that opposes the vital interests of Russia. [end recording]

Mr. Nuri refused to name the state into whose embrace the Tajik opposition might fall, saying that we Rus-

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sians would know when that happened. Meanwhile, the Islamic factor, which many opponents lay at the door of the Tajik opposition, is gathering strength. [passage omitted]

In reply to our question if the opposition came to power would Tajikistan be an Islamic state, Nuri said:

[Begin Nuri recording] The people itself will decide which system is best for it. When our society is ready to receive Islam, our women themselves will adopt it and will cover their faces. True democracy is in Islam. [end recording]

Uzbekistan

Uzbekistan: President Karimov Welcomes Economic Results

LD2507113896 Moscow INTERFAX in English 1110 GMT 25 Jul 96

[FBIS Transcribed Text] TASHKENT, July 25 (Interfax) — Uzbek President Islam Karimov welcomed the economic results achieved in Uzbekistan during the first half of 1996.

He told the Cabinet on Thursday that the opening on July 19 of a car plant built jointly with the South Korean company Daewoo was an event of major significance. By the year 2002, the car works will be producing 200,000 cars annually.

Karimov also emphasized the importance of Uzbekistan's complete oil self-sufficiency. There are ample conditions in Uzbekistan for producing petroleum products for domestic needs and for export, he said.

Speaking about the government's tasks, he said that a new class of owners must be created and that the national currency must be made convertible by the end of the year.

"Uzbekistan has enough currency resources to fulfill this task," he said.

Uzbekistan: Failure of Barter Deals With Russia Assessed

LD2507103996 Tashkent ISHONCH in Uzbek 23 Jul 96 p 3

[Report by Tohir Rajabov, official from Syrdarya Region senior prosecutor's office: "Carelessness or Illiteracy?"]

[FBIS Translated Excerpt] The legality of export-import operations carried out last year by trade and purchase procurement associations in Syrdarya Region and the state of accounting documents based on agreements signed have been examined.

As it became clear, the region's trade and purchase associations signed a total of 40 contracts with CIS countries to exchange goods on a reciprocal basis last year. The agreements were mainly signed with various Russian procurement and trade organizations, primarily with the aim of exporting various agricultural products and in return importing various kinds of consumer goods. In accordance with the agreements, onions, melons and watermelons, apples, tomatoes, and other agricultural goods worth 17 million soms were exported from the Republic.

However, there were only three cases in which funds worth 1.465 million soms were transferred before the goods had been sent. Unfortunately, very many goods have not been supplied at all. This accounts for about 10.3 million soms.

In the course of the inspection, managers of the aforementioned procurement and purchase organizations made an effort to supply various consumer goods worth a further 2.139 million soms. [passage omitted]

Procurement organizations in Bayaut, Khavas, Syrdarya, and Mirzaabad Districts have also imported goods in this way.

According to the final results, goods worth a total of 7.611 million soms were not delivered to the region from abroad as of 22 April. This same situation could be observed in particular in Sharaf Rashidov, Mekhnatabad, Gulistan, and Bayaut Districts.

It was revealed during the examination of the legality of contracts signed by the procurement organizations that these agreements had not been drawn up thoroughly, that they lack definition of the consequences that might arise if the sides fail to fulfill the terms of the agreement, do not specify the level of responsibility of the parties, and, most importantly, do not indicate the terms of validity of the contracts. The agreements are being drawn up in general terms, merely indicating the type of goods to be sold. This shows the managers' illiteracy in signing these agreements, as well as demonstrating their ignorance of the laws under a market economy. If they were aware of requirements for drawing up agreements and still allowed these mistakes, this could be evidence of malice and personal financial interest in designing these documents, and the results of future inspections should shed light on it.

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Uzbekistan: Russia Eyes U.S.-Uzbekistan Relations

964F2936A Moscow ZAVTRA in Russian Jun 96 No 28, p 2

[Article by Yu. Bardakhchiyev: "Wasted on Him?"]

[FBIS Translated Text] 25 June—President I. Karimov guaranteed contracts which almost triple the amount of U.S. capital investments in Uzbekistan.

27 June—U.S. Defense Secretary W. Perry declared that Uzbekistan is for the United States a very important strategic partner.
30 June—According to statements of the U.S. Administration, Ukraine, Uzbekistan, and the Baltic are buffers against Russian expansion.
7 July—Approximately 50 major U.S. firms are operating in Uzbekistan at this time. Their spokesmen assess business prospects in the republic as good.

Before his first unofficial tour of the United States, Islam Karimov announced an amnesty for 85 convicts, including several opposition leaders. This step helped remove one of the main U.S. complaints against Uzbekistan—human rights violations. And in response the grateful U.S. made the visit virtually an official one both in terms of the productiveness of the contacts and of the number of persons who received Karimov, President B. Clinton included.

The release of several political prisoners hardly afforded human rights-obsessed U.S. democrats serious grounds for belief in a change in the authoritarian policy of the president of Uzbekistan. It is logical to assume that there is a simpler explanation for the mutual democratic love—the rules of the game are dictated by geopolitics.

Categorically rejected by Washington during his last attendance at a session of the UN General Assembly, on this occasion Karimov was vouchsafed a "conditionally welcome" status. The reason is the strengthening influence of the republic in the Central Asia region, but not only this. Uzbekistan—the most powerful of the republics of the former Soviet Central Asia—is regarded by the United States additionally as a counterweight to Islamic fundamentalism, primarily to the influence of Iran. Especially since Karimov is, as before, assuring the West of an endeavor to build a secular state of the Turkish model.

In addition, the United States has adopted in respect to the republic the model of so-called "indirect" (that is, economic) control of the situation. Having in the short time of "independence" lost an enormous market for the sale of fruit and vegetable products and cotton in Russia, Uzbekistan has involuntarily embarked on the expanded exploitation of its "reserve fund"—the gold and uranium deposits. But the republic, in the absence of production capacity, technology, and personnel, can only produce uranium concentrate at the Navoi works. It is not in a position to undertake reprocessing. For this reason the U.S. Newkin company holds the exclusive right to the entire product. Uzbekistan has substantial reserves of oil and gas—U.S. companies have once again allocated credit of $400 million (not gratis, of course) for their development. The United States' interest in contacts with Karimov has, in addition, this gold-uranium-oil connotation also, of course.

But the affinity of aspirations to neutralization of Russian influence should, perhaps, be considered the most serious reason for the alliance of the United States and Uzbekistan in the Central Asian field. Since 1991 the strategic goal of Uzbekistan has been the creation in the West of the "image" of a proud young independent state going its own way. And the main characteristic of this way has been its distinctiveness from the Russian way. The emphatically pro-West orientation in the economy, the harsh invective apropos integration treaties in the CIS, the decisive refusal to join even the Customs Union, and a methodical anti-Russian nationality policy (even kindergartens which use Russian are being closed down) is connected with this image also. For the United States, which is pursuing in the Asia region a policy of the weakening of Russia, this position is so attractive that the United States is lobbying for Uzbekistan's membership in the European Union and the World Trade Organization and now NATO even. Nor has ideological pressure been forgotten—a branch of Radio Liberty has been opened in Central Asia for the first time in Tashkent, as has some OSCE "bureau" engaged not only in security and cooperation but in intelligence as well. It is understandable why together with Ukraine and the Baltic countries, Uzbekistan is in the U.S. strategy in the former USSR "a state of particular importance".

But did U.S. strategists not err in the assessment of the Uzbek president (with whose enigmatic oriental soul they will have to deal until the year 2005, incidentally) when formulating geopolitical recommendations for Clinton, as they formerly erred in respect to Iran—initially a friend of the United States, now a sworn enemy? The West still considers Karimov the leader who has assumed the mission of flagship of the fight against Islamic fundamentalism in Central Asia and, perhaps, throughout the Near and Middle East. This policy, the West is certain, has engendered mistrust of him among the leaders of states of the East. But, seemingly, the West has entirely failed to notice the unexpected 180 degree Karimov turn with the advancement of the "Muslim alliance" slogan, which has once again restored to

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him the affections of Pakistan and Iran. Or is the West simply reluctant to part with its illusions?

In geo-economics and geopolitics, meanwhile, Uzbekistan is, truly, oriented toward the United States. But aside from the United States, Germany, and Britain, the Central Asia region is being viewed intensively as a field for their vitally important interests by China, Pakistan, Turkey, Russia, and India. Uzbekistan, as the weaker partner, is involuntarily having to seek balances and to play on the contradictions of these forces. And precisely at the present moment of the United States' establishment of close contacts with Karimov, he himself is seeking ways of rapprochement with Iran and Pakistan.

There are several grounds for this search, anti-U.S. included. Karimov (and the Uzbek elite as a whole) has been complaining increasingly often about the inadequacy of his U.S. and European partners' assistance to renewed anti-Russian Uzbekistan. The Uzbek elite believes that it is the United States, availing itself of its influence in world investment banks and shaping world public opinion to a large extent, which is holding back currency and technology infusions in the republic, demanding in addition (oh, horrors!) the replacement of the authoritarian with a more democratic policy. The investments of West European states, invested in secondary branches, what is more, are extremely small, in the opinion of the former. In addition, following the conflict with Turkey (which, furthermore, is itself experiencing a painful intensification of the Islamic factor), Uzbekistan has found itself in its antifundamentalist pretensions in a solitary position among the Islamic states which was all too uncomfortable. Not the least of these discomforts are Islamic extremists' attempts on Karimov's life, the conflict with the Islamic opposition in the country and abroad, and the strong dissatisfaction with Uzbekistan on the part of the second spiritual leader of Islam after Iran—Saudi Arabia. In addition, all the threads of the transcontinental transport communications and export pipelines via Uzbekistan to Europe (the TRASIKA project, the revived Great Silk Road, the Mashhad-Serakhs main line, and others) pass through the territory of neighboring Islamic states.

The "practical" Karimov, as the United States call him, has begun to adjust his foreign policy, ridding himself of needless discomforts. He is for this reason seeking a rapprochement with Tehran, which even recently he was calling the "focal point of the fundamentalist danger," and, as a first advance payment (one of many), he refused to support the U.S. embargo against Iran. In addition, the idea, long propagandized by Karimov, of the integration of the Turkic-speaking states of the region in a single imperial state within the ancient borders of "Greater Turkestan" also could easily be transformed from a secular into an Islamic idea. The image of Amir Timur—the founder of the Central Asian Empire—contains within it, aside from its unifying political potential, the distinct sacralization of the father of the Islamic state. The most ancient cultural centers of Khorezm, Bukhara, and Khiva, which are located on the territory of Uzbekistan, are simultaneously very important Islamic religious centers, and the problem of the Islamically oriented Fergana Valley is permanently on the agenda of an Uzbek leader. It should be considered also that the strict anti-inflationary policy dictated by the IMF has led, as we know, to serious ethno-religious disturbances both in Karakalpakia and in Tashkent itself.

The main issue for the United States at this time is what will gain the ascendancy in the policy of Uzbekistan: regional preferences or an orientation toward the West. Considering the steadily negative attitude of the Uzbek leadership toward an increase in Russian influence in the region, this issue is no less important for Russia also, for that matter.

In the foreign policy field Uzbekistan is making common cause with the states which are Russia's rivals or adversaries in the region and trying to be minimally dependent on Russia, participating in all plans for oil and gas pipelines in circumvention of its territory, and mineral deposits in the republic are being sold to any foreign firms, except Russian. Within the CIS Uzbekistan is insistently emphasizing its independence in respect to contacts with Moscow and readily cooperating with the states which might constitute an anti-Russian alliance. Such is the Georgian agreement on Uzbekistan's participation in the transit of oil not via Russia but via the Caucasus and Turkey. The treaty with Azerbaijan this May also expressed primarily the community of anti-Russian views of the leaders of both republics. As far as the planned alliance with Ukraine is concerned, it could, in the event of the affiliation to it of the Transcaucasus, hit particularly seriously at Russia's interests on the post-Soviet territory.

The Uzbek factor is being mobilized consistently against Moscow. And the appropriate responses to this mobilization are lacking, unfortunately, which could have dire consequences for Russia by the end of the present year even.

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Armenia

Armenia: Ministry Reacts to Azerbaijani 'Terrorism' Accusations

NC2407154896 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 24 July 96

[Statement issued by the Armenian Foreign Ministry; place and date not given—read by announcer]

[FBIS Translated Text] Of late, a series of articles have appeared in the Azerbaijani press and a number of official statements have been issued by Azerbaijan in which Armenia is accused of involvement in terrorism.

The Azerbaijani ambassador's statement to the OSCE session held from (?6-18 July) was the latest in the series of such moves.

The Armenian Foreign Ministry declares that such statements are completely false, unfounded, and dangerous. Such statements undermine the (?verbal) cease-fire agreement between the sides which, as a confidence-building step, aims at generating a favorable atmosphere at the fragile talks on the Nagorno-Karabakh conflict.

They are also dangerous in terms of mutual trust, which is necessary for a positive solution of the problem.

At best, Armenia regards such a posture as an hopeless attempt by the Azerbaijani leadership to (?cover up) its inability to conduct serious negotiations, and at worst an attempt to create a hysteria which will probably be justified by actions that do not seek peace.

The Armenian Foreign Ministry calls on the Azerbaijani leadership to refrain from such provocative and purely propagandistic moves and to instead concentrate on real issues with the aim of achieving a peaceful solution to the Nagorno-Karabakh conflict based on good-will and mutual concession.

Armenia: Spokesman—Armenia Had No Role in Naming Karabakh Official

NC2307171496 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1330 GMT 23 Jul 96

[FBIS Transcribed Text] Stepanakert ("Respublica Armenia" daily), 07/23/96 — Head of the press service of ROA [Republic of Armenia] Foreign Ministry Armen Bagdasaryan said that declaration of the Azeri Foreign Department, which accused Armenia in assigning Arshavir Karamyan as the head of Shusha district administration, is senseless. "Yerevan does not interfere in the internal affairs of Mountainous Kharabakh" [RMK], he declared in an interview to a reporter of Snark.

At the same time, commenting in regard with the above-mentioned declaration, RMK Presidential spokesperson Aleksander Grigoryan said it should be considered with humor. "First, Stepanakert didn't grant Armenia with the power of assigning the leaders of these or that provinces of the Republic of Mountainous Kharabakh, including Shusha. Second, Arshavir Karamyan is the fourth head of the Shusha administration assigned by the RMK government since may 1992. Hence it is not clear why just Karamyan's person attracted such a mess in the foreign departments of Azerbaijan and Turkey, which also made such a declaration", Grigoryan concluded.

Armenia: Defense Minister Meets New Russian Counterpart

NC2307172196 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 1330 GMT 23 Jul 96

[FBIS Transcribed Text] Yerevan ("Golos Armenii" daily - Past), 07/23/96 —According to a report of Past agency, ROA [Republic of Armenia] Defense Minister Vazgen Sargisyan visited Moscow last week, to meet with Russian new Defense Minister Igor Rodionov.

Since Russian political observers relate the assignment of Rodionov with the new policy of Russia in Transcaucasia, then V. Sargisyan's visit is probably related to the new situation in Russia's foreign policy.

Azerbaijan

Azerbaijan: Ambassador—Moscow Police Molest Innocent Azerbaijanis

MM2507084396 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 96 p 7

[Own information report: "'Sweep' of Moscow. With Fists Used in Places?"]

[FBIS Translated Text] At any rate Azerbaijani Ambassador Ramiz Rizayev has contacted the editorial office about this [reference to headline].

The terrorist attacks in Moscow have prompted resolute measures from the authorities in fighting crime and protecting law and order. But the "purge" of bandits that has begun in the capital has given rise to a lot of complaints from entirely innocent citizens. Those primarily affected have been so-called persons of Caucasian nationality.

"Preventive measures are, of course, necessary to combat criminals," Ramiz Rizayev said. "But the first few days have shown that this is not just a campaign against criminals and bandits, there is a high-profile campaign under way, as was the case in the past, in which outsiders often suffer. What Mayor Yuriy Luzhkov of Moscow warned the Federation Council about is happening. In the course of the fight against crime in the

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Moscow region, he said, there should under no circumstances be evidence of a 'so-called ethnic emphasis.' The campaign should be conducted solely against criminals, the mayor stressed, 'rather than against representatives of various ethnic groups from the near or far abroad.'

"Our embassy has been bombarded with complaints over the past few days from Azerbaijani citizens who are in Russia for various reasons," the ambassador continued.

"Independent Azerbaijani TV has shown pictures taken during Special-Purpose Police Detachment raids on hostels in the capital. The hefty operatives burst into rooms, pull sleepy 'persons of Caucasian nationality' from their beds, and give them severe beatings, despite the fact that their victims are not about to put up any resistance.

"Or take the statement by nine Azerbaijani citizens, against whom a blatant breach of the law was committed by officers of the 30th city police precinct at Moscow's Cherkizovo Market 18 July. On no grounds at all their passports and temporary registration documents were confiscated. They were then thrown in a police van and money was extorted from them — 50,000 [currency not specified] for the return of their passports, and 150,000 for their passports and registration documents.

"Following the intervention of the embassy consul and a staffer from the Moscow Eastern District Personnel Inspectorate, their passports were returned to them. But it is hard to say how many frightened people have allowed themselves to be robbed."

Azerbaijan: Russian Communications 'Protection' Plan Noted

NC2307134696 Baku TURAN in English 1200 GMT 23 Jul 96

[FBIS Transcribed Text] Baku/23.07.96/TURAN—The headquarters of Group of Russian Forces in Transcaucasia completes working out of the plan "On special protection and free operation of communications in Georgia and Armenia". Under this document, if necessary Russian Forces located in these republics can take auto and railroads connecting Georgia and Armenia with Russia under special protection.

The source from the Headquarters told TURAN Agency the plan envisages creation of coalition Armed Forces. These forces will be created by uniting of Armenia's and Georgia's Armed Forces with units of Group of Russian Forces in Transcaucasia, border troops of Russia in Transcaucasia and ships of Black Sea Fleet of Russian Federation. However, the document does not say in what cases coalition forces will be created.

At the same time, the source from Headquarters said Russian militarymen consider safeguard of security in both directions to be a priority:

1) Communications from Azerbaijani borders to Batumi and Poti as well as through Sukhumi and Sochi (Krasnodar region). In case of danger all these transport communication will be protected by joint Georgian-Russian units. The authors of the document say that in Abkhazia these functions will be performed by Russian peace-keeping forces, units and ships of Russia's Black Sea Fleet as well as armed units of Abkhazian separatists.

2) Joint Russian-Armenian protection of communications connecting Armenia with ports of Black Sea — Batumi and Poti (Geogria). Russian bases located in Akhalkalaki and Akhaltsikhe (Georgia) together with units of the Armenian army will take 350-kilometers-long section under their control.

During joint Georgian-Russian and Armenian-Russian military exercises, protection of communications in Transcaucasia will be trained for the first time.

The experts believe that Russia still hopes to take all routes of transportation of Azerbaijani and Kazakhstan's oil to Europe under its maximum control.

Georgia

Georgia: Tbilisi, Abkhazia Fail To Agree on Peacemakers' Mandate

LD2407121996 Moscow INTERFAX in English 1158 GMT 24 Jul 96

[FBIS Transcribed Text] MOSCOW, July 24 (Interfax) — The Georgian-Abkhazian consultations in Moscow have failed to agree on changes and prolongation of the mandate of peacemakers in Abkhazia, whose term expired on July 19.

A source at the Georgian Embassy in Moscow told Interfax today "the essence of Georgian proposals is absolutely clear — the mandate of peacemakers, which has been valid for two years, must be updated...These changes must ensure safety of the protracted return of refugees," he said.

The priority measure is to expand the zone of peacemakers' operation at least to the pre-conflict borders of the Abkhazian Ghali region. Today the peacemakers control "only half of this region," said the source.

This issue "is vitally important for organized return of refugees and displaced persons to the Ghali region,

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where 95 percent of residents (over 94,000) were ethnic Georgians," he noted.

Abkhazia does not agree "to expand the peacemaker's operation zone even throughout the Ghali region, and thus hampers the return of refugees."

Georgia never demanded to attach "the so-called police functions" to the peacemakers at Moscow negotiations, said the embassy source. "It was always a matter of expanding the zone of their operation, without which it would be impossible to boost the return of refugees and other aspects of Georgian-Abkhazian settlement."

Georgia: Change to CIS Peacekeeping Force Demanded

LD2407125196 Moscow INTERFAX in English 1236 GMT 24 Jul 96

[FBIS Transcribed Text] Tbilisi, July 24 (Interfax) — Georgia is continuing to insist that the mandate of the CIS peacekeeping force deployed in Abkhazia be changed, Georgian Foreign Minister Irakli Menagharishvili told a news conference in Tbilisi on Wednesday [24 July].

He said the peacekeepers must be pulled out from the region if their mandate is not changed.

Georgian officials have repeatedly demanded an extension of the peacekeepers' authority and area of responsibility to help kick-start the process of the resettlement of Georgian refugees and displaced people in Abkhazia's Gali region.

On Tbilisi's claim to part of the Black Sea Fleet, the minister said the defense department was about to draw up guidelines for the protection of the country's coastline. Georgia will next inform Moscow and Kiev about its share of the Black Sea Fleet, he said.

On his two-day visit to Iran ending on July 21, Menagarishvili said Tehran was keen to widen cooperation with Georgia including Iranian investment into the country's transport and energy sectors.

He said Iran had agreed to participate in two promising restoration projects of the power-supply line linking Iran, Armenia and Georgia in the 1970s and 1980s and the laying of a pipeline to pump gas from Turkmenistan to Ukraine via Iran, Armenia and Georgia.

Tehran is also ready to allocate Georgia part of the island of Kish in the Gulf, where a free economic zone is being set up, the minister said. He also said Georgia had applied for entry into the Central Asian Economic Cooperation Organization.

Georgia: Shevardnadze Reaffirms Abkhaz Policy to UN Security Council

AU2507105596 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 17 Jul 96 p 1

[Letter from Georgian President Eduard Shevardnadze to UN Security Council Chairman Alain Dejammet: "To Warn the Criminal Regime and Make It See Sense"]

[FBIS Translated Text] Our readers know that on 12 July the UN Security Council adopted a draft drawn up by countries friendly to Georgia on extending the mandate of military observers in Abkhazia, Georgia.

The Georgian authorities had intensive contacts with the UN concerning this problem.

We present a letter from Georgian President Eduard Shevardnadze to UN Security Council Chairman Alain Dejammet.

Esteemed Mr. Chairman,

I am again obliged to direct the attention of the members of the Security Council to the conflict in Abkhazia as, in spite of the particular efforts of the secretary general and the unprecedented activity of the Security Council, the situation that has taken shape is increasingly assuming the form of a conflict that is being preserved for many years. I have repeatedly appealed to the council and, on 9 March 1994, I had the opportunity to speak directly at the session of the council about the extraordinary situation that is threatening the state, a full-fledged member of the UN, with violent disintegration and that, as such, demands an immediate extraordinary response.

In spite of this, in the fourth year of the conflict, I feel obliged once more to reaffirm my position as, proceeding from international relations and the new world order and from the point of view of simple humanity, it is impossible to come to terms with the unbridled ethnic cleansing of primarily the Georgian population by the Abkhazian separatists, which has already cost the lives of 3,834 Georgian civilians while almost 300,000 people, including approximately 260,000 Georgians, have been expelled from their native homes. Hired killers and marauders from the North Caucasus and other neighboring regions who support the separatists have occupied the homes of Georgians in Abkhazia. What arouses particular indignation is that the separatist leadership continues to link their unconditional return to their places of permanent residence with political issues and, at the same time, are flagrantly and, as yet, with impunity trampling on universally recognized human rights.

To say nothing of this terrible human tragedy, the protracted conflict rests as a heavy burden upon Georgia that has embarked upon the path of democratic reforms,

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is seriously hindering the country's economic development, and is increasing social tension in society. Furthermore, the scale of the conflict in Abkhazia is creating a real threat to peace and security throughout the whole Caucasus and is having the strongest influence on our direct neighbors as, on the one hand, it is feeding similar criminal regimes and, on the other hand, is blocking the region's most important transport and communication routes.

In spite of this, the Georgian state has chosen and is consistently implementing a policy of peaceful regulation of the conflict in Abkhazia. The first attempt in this direction was the agreement of 3 September 1992 that, among other things, should have ensured the territorial integrity of Georgia, the halting of hostilities, and the restoration of the normal functioning of state structures. The Abkhazian separatists perfidiously violated this agreement and subsequent ones, which resulted in the fall of Gagra and Sukhumi and, in the final analysis, the expulsion of the Georgian population from Abkhazia.

However, even in these difficult conditions, we did not refuse to negotiate. Our position was reflected in the 13 resolutions of the Security Council. In order to maintain the peace process, several agreements were concluded. Concessions that the Georgian side was forced to make on account of our position at the time are reflected in them. Particularly favorable conditions for a timely and just settlement of the conflict were created with Georgia's transfer to a federal model of state construction. The new Georgian Constitution specially leaves these issues open so that the final structure of our country takes into account the interests of the Abkhazians within the framework of a federal state. I have publicly stated and repeat once more that Abkhazia, as a subject of the federation, will be granted extensive rights in accordance with international legal standards within the framework of a single state. It will be guaranteed broad autonomy, a parliament, a government, and a supreme court, which will be safeguarded by its and the federal Constitution. The republic will have its own flag and coat of arms and hymn. I had the honor to expound all this in detail to the chairman of the Security Council this year.

Unfortunately, the process of settling the conflict in Abkhazia increasingly resembles a road with one-way traffic. The UN secretary general has himself admitted that the peace process in Abkhazia "is deadlocked" as the people who have been expelled from their native homes cannot remain for an unlimited period of time in the situation in which they find themselves today. Yet the separatist regime stubbornly continues to play the role of the "winner of the war" and, convinced of its own impunity, is ignoring not without success all the documents it has signed and all the appeals from the Security Council.

I allow myself to remind the council's members that the OSCE Budapest summit gave a proper assessment of the action of the separatists and "expressed deep concern in connection with the ethnic cleansing of the population, particularly Georgians, their expulsion from their places of residence, and the death of a large number of innocent citizens." The CIS summit in Almaty in 1995 also expressed its clear and principled attitude, adopting a memorandum on the complete isolation of aggressive separatism as a phenomenon. The CIS summit held in Moscow on 19 January 1996 supported the Georgian government and declared a blockade in economic, political, military, and other spheres against the Abkhazian separatist authorities.

Mr. Chairman,

Clearly, the methods of persuasion used up to now to settle the conflict in Abkhazia are being exhausted. This does not at all means that we should abandon the peaceful path. On the contrary, we should intensify our efforts. The shortest route in this direction would be the use of methods of peaceful coercion without which any appeals to common sense and justice lose their meaning. We hope that the Security Council's future resolution will not simply be a resolution but possibly a final warning to the criminal regime so that it comes to its senses and follows the will of the world community in the shortest period of time. I deeply believe that the Security Council will assess in an appropriate manner the desire of the UN member-state to put an end to the attempt to divide its territory by force, while observing all norms characteristic of the world community.

Yours sincerely,

[Signed] Eduard Shevardnadze

Georgia: Russian Peacekeepers Commander Against Leaving Abkhazia

LD2507183896 Tbilisi SAKINFORM in Russian 1605 GMT 25 Jul 96

[FBIS Translated Text] General Vasiliy Yakushev, the commander of the Russian peacekeeping forces in the Abkhaz-Georgian conflict zone, has said that in case the Georgian side demanded that the peacekeeping forces be withdrawn from the Georgian territory, they will leave the right bank of the Inguri River, but will remain in the territory of Abkhazia because this was what Abkhaz separatists demanded. However, the general did not explain how legal it would be for the Russian troops to remain within a part of Georgia without a consent

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by the country's official authorities. Having mentioned some technical reasons, he said that it will take the peacekeeping forces at least a month to withdraw from the area.

Georgia: Security Ministry Warns Against Abkhaz Terrorist Attacks

LD2507221196 Tbilisi Radio Tbilisi Network in Georgian 1700 GMT 25 Jul 96

[FBIS Translated Excerpt] As we have already reported, the situation in Ochamchire and Gali districts has sharply deteriorated lately. [passage omitted] On 24 July, a vehicle carrying an Abkhaz armed unit blew up in Ochamchire District. The explosion killed two men and gravely wounded three others.

Having intercepted radio communications between Abkhaz separatist armed units on 24 July, appropriate services of the Georgian Ministry of State Security said that an Abkhaz unit stationed in Kelasuri instructed another unit near Ochamchire to pass on an order to the Gali headquarters of Abkhaz armed units to secure a passage for an OMON [Special Purpose Militia Detachment] unit on the right bank of the Inguri River so that it could carry out terrorist and subversive acts there.

The Georgian Ministry of State Security immediately conveyed the information to General Vasiliy Yakushev, the commander of the Russian peacekeeping forces, and Krylovskiy, the commander of the Transcaucasus group of the Russian Federal Border Troops, and demanded that they carry out appropriate measures to have the OMON unit withdrawn from the 12-kilometer safe zone.

Despite this, according to confirmed operative information, servicemen of the Gudauta OMON, of the Abkhaz Interior Ministry, have appeared near the central checkpoint on the Inguri bridge.

The Georgian Ministry of State Security has said that it will not permit any attempt aimed to fail the peace process.

Georgia: Ties With Turkey Cemented at Interparliamentary Conference

AU2507141696 Tbilisi SVOBODNAYA GRUZIYA in Russian 17 Jul 96 pp 1-2

[Report by SVOBODNAYA GRUZIYA special correspondent Davit Gunava: "Zurab Zhvania: 'The Black Sea Tragedy Is Our Common Pain'"]

[FBIS Translated Text] On 10-12 July, the first Council of Europe and PABSEC (Parliamentary Assembly of the Black Sea Economic Cooperation) interparliamentary conference was held in Istanbul. It was devoted to the ecological problems of the Black Sea. A Georgian parliamentary delegation headed by Parliament Chairman Zurab Zhvania who, as PABSEC president, was also cochairman of the conference (along with Council of Europe Chairwoman Mrs. Lennie Fisher), also took an active part in the work of the conference.

The conference had an extremely important underlying political theme: It is not by chance that Turkey is directing attention to the ecological problems of the Black Sea. After all, this problem is directly associated with the basic knot of contradictions between Russia and Turkey, specifically the question concerning the status of the Bosphorus. As early as in 1994, the Turkish government restricted the passage of oil tankers in one direction through the straits, citing reasons of ecological security. For its part, Russia, for whom the "free status of the straits" is of vital importance, accused Turkey of violating the Montreux convention, and demanded that all restrictions on the passage of oil tankers through the Bosphorus be lifted. Ankara adopted a no less strict position, and declared that it would not only not lift the restrictions but intended in the near future to prohibit completely the movement of oil tankers through the straits, which would be tantamount to a geopolitical catastrophe for Russia. Given such a development of events, Russia will be deprived of an important transport artery for exporting its oil; second, the "northern route" for transporting Caspian oil (Baku-Groznyy-Novorossiysk-Bosphorus-Europe) will be removed from the agenda and the route proposed by Suleyman Demirel and Eduard Shevardnadze — a pipeline through the territory of Georgia and Turkey (Baku-Supsa-Ceyhan) — will become the only option.

In these conditions, the diplomatic task facing the Georgian delegation was very complex. Open support for the Turkish position would have been interpreted by the Russians (Artur Chilingarov, head of the Federation Council delegation, was in a very aggressive mood) almost as a "hostile act," but on the other hand, our country is vitally interested in resolving the problem of the "big pipeline" as this will bring Georgia not only economic but also huge political dividends.

Taking into account this situation, our delegation chose the right tactics. The Georgian delegates did not openly interfere in the fierce discussion that unfolded between the Russian and Turkish representatives. However, the Georgian Parliament deputies (Gia Gachechiladze, Zurab Nogaideli) competently and emotionally talked about the necessity of averting a "Black Sea catastrophe." Parliament Chairman Zurab Zhvania stated in his speech that all the issues being discussed at the conference had political significance. "The problem of saving the ecological system of the Black Sea should be viewed as a problem of national security. Hundreds

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of types of flaura and fauna inhabit the Black Sea. The sea, on whose shores tens of millions of people live, has provided a living for entire peoples. Today, the threat of an ecological catastrophe hangs over the Black Sea and its pearl — the Bosphorus Straits. We cannot permit considerations of economic profit to prevail over principles of ecological security."

Zurab Zhvania's speech was heard with great attention. It was clear that Georgia indirectly supported the Turkish position. However, this was done so diplomatically that it did not give rise to any noticeable debates at the conference between the Georgian and Russian delegations (although, of course, one cannot fully exclude certain "undercurrents").

The visits at an official level with representatives of the Turkish leadership were a no less important part of the visit. On the first day (9 July), Zurab Zhvania met with Ridven Enishan [name as transliterated], the governor of Istanbul and an Adegey by nationality, who informed the high-ranking guest about the originality of the territorial-administrative division of Turkey. The next day (10 July), Zurab Zhvania had talks with Mustafa Kalemli, chairman of Turkey's Grand National Assembly. At the very beginning of the talks, Kalemli pointed out that he was glad of the visit of the guest from a country which Turkey views as being friendly and fraternal. "We attach huge importance to relations with Georgia and will develop these relations in every way possible at all levels," stated Mr. Kalemli. In reply, Zurab Zhvania stated that Georgia considered the "Turkish direction" to be one of the priority ones in its foreign policy. "It is precisely for this reason that the latest information about the success of the fundamentalist party aroused great concern among us. Can this fact have a bearing upon Turkey's policy in the region?"

From all appearances, this question did not come as a surprise to Mustafa Kalemli. The strengthening of the positions of "Erbakan's party" arouses great concern in Europe and he is often called upon to answer the question raised by Zurab Zhvania. Mr. Kalemli gave a fairly emotional response: "I assure you that the changes in the Turkish government will in no way influence the country's foreign policy. As before, respect for all neighbors remains its basis. In particular, nothing can change in relations with fraternal Georgia. Turkey will fulfill without question all the political and economic obligations fixed in the bilateral documents. Therefore, there are no grounds at all for concern."

Fears on account of the "political victory of the Islamists in Turkey" are indeed exaggerated. Erbakan and Ciller have formed a coalition government. Moreover, the True Path Party (of Tansu Ciller) has forced the Islamists to remove all extremist points from the program and it was only under this condition that it agreed to form a coalition with them. Furthermore, the president and the Army, whose command has already stated that it will not permit any departure from Kemalist principles, are a guarantee of the steadfastness of state policy. Turkey, today, is a dynamic and democratic state. It may well become a bridge to the West for Georgia and one of the guarantors of its security.

Georgia: Foreign Minister Holds News Conference on Visit to Iran

LD2407142796 Tbilisi IPRINDA in Russian 1310 GMT 24 Jul 96

[FBIS Translated Excerpt] Tbilisi, 24 Jul — An IPRINDA correspondent reports that today Georgian Foreign Minister Iralkli Menagharashvili held a news conference and summed up his visit to the Islamic Republic of Iran.

The minister noted that the aim of the visit was to develop Iranian-Georgian relations, to discuss a wide range of issues concerning regional and international relations, relations between Iran and Georgia on the international arena, as well as Iran's stance on Georgia and the Caucasian and Black Sea countries.

Discussions of economic relations occupied an important part. In connection with Georgia's debt to Iran, which amounts to $12.5 million, the minister said an agreement had been reached on the issue and the Georgian delegation members who remained in Iran would sign an agreement on restructuring the debt.

Iran is keen to cooperate in rehabilitating Georgia's power complex and in particular, in rehabilitating the Zhinvali hydroelectric power station and to restore the Iran-Armenia power line.

As regards the development of the infrastructure for regional transport, Iran is keen to study transit routes to Russia and Europe through the Caucasus, as well as the transportation of Turkmen gas.

Georgia has agreed to be allocated a space on the Iranian island of Kish and to develop it to participate in the establishment of an economic zone there.

Georgia wishes to gain observer status in the Economic Cooperation Organization, the headquarters of which are in Tehran. [passage omitted]

A memorandum on cooperation between the Georgian and Iranian commissions with UNESCO has been signed.

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Georgia: President Sets Targets for Oil Production

LD2407132296 Moscow INTERFAX in English 1308 GMT 24 Jul 96

[FBIS Transcribed Text] TBILISI, July 24 (PIA-Interfax) — The volume of oil production must amount to 1 million-1.5 million tonnes next year, and thus Georgia will be able to satisfy its requirements in this area by about 25 percent, Georgian President Eduard Shevardnadze told an expanded session of the government which was discussing the republic's economic achievements in the first half of this year and its tasks for the immediate future.

The recent increase in oil production has served as the main basis for this prognosis.

Georgia extracted 30,200 tonnes of oil in January-June 1996, of 45 percent more than over the same period last year, chairman of the government-run Gruzneft department Revaz Tevzadze told the Interfax Petroleum Information Agency. In addition, the republic overfulfilled the plan for land-survey works for the first time in recent years, and as a result, new prospective oil fields were discovered on the republic's territory.

Explored oil reserves in Georgia total about 600 million tonnes, half of them being on the Black Sea shelf, experts say. It has extracted slightly more than 26 million tonnes as of today.

The republic produced more than 3 million tonnes of oil annually in the late 1970s. Experts predict that Georgia will be able to reach this level again by 2000, while its annual requirement for oil is estimated to be 5 million tonnes.

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